

The **NATIONAL** **UNDERWRITER** *Life Insurance Edition*

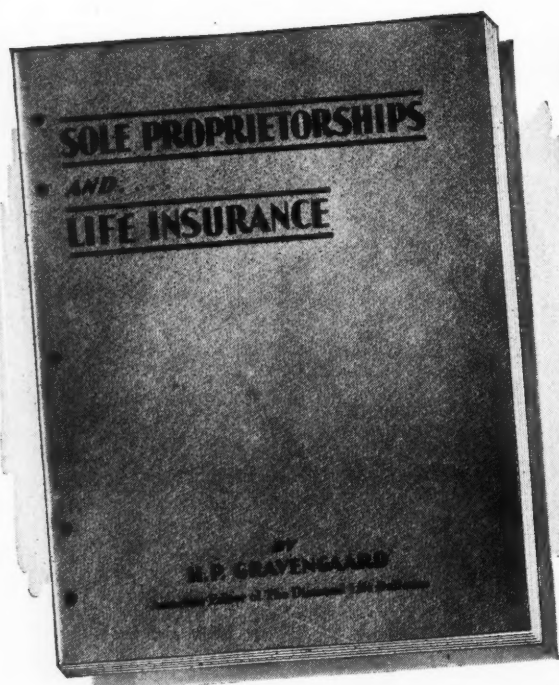
1944—A New Year

As we pause at the portal of the new year to try to apprehend what the next 12 months may bring before plunging again into the routine of our daily chores, The National Underwriter extends to the life insurance industry the wish that 1944 will be a year of as great achievement as was 1943. During the year now closed life insurance has added bountiful and permanent values to American society and everyone in the business has cause to feel satisfaction in the mighty contribution that thus has been made to the preservation of the American way of life.

The National Underwriter is proud to be linked so intimately to the life insurance endeavor of this country. We feel an obligation to provide an editorial service that is in keeping with the high standards of the industry. In striving to maintain such a level of excellence we enjoy the confidence and cooperation of the life insurance business. The relationships that we possess transcend in value commercial considerations. Our torch is editorial excellence for an industry that deserves the finest. May the year 1944 be one of great good fortune to the men and women of the field and of the office.

The National Underwriter

FRIDAY, DECEMBER 31, 1943



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by

H. P. GRAVENGAARD
Associate Editor of The Diamond Life Bulletins

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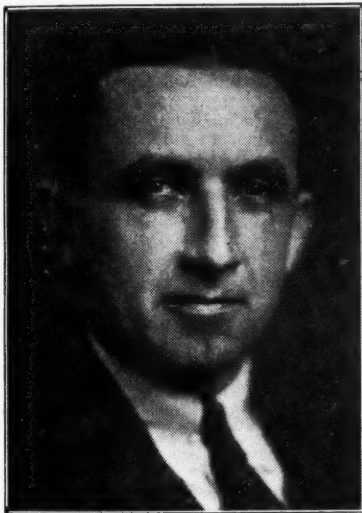
STREET ADDRESS _____

CITY AND STATE _____

Connell Wins Contest for Post of Secretary

**New York City Leader
Places First in N.A.L.U.
Trustees Mail Vote**

NEW YORK—Clancy D. Connell, general agent for Provident Mutual Life in New York, has been elected secretary of the National Association of Life Underwriters to fill the vacancy caused by the resignation of Wilbur W. Hartshorn, who was recently appointed a superintendent of agencies for Metropolitan Life. This announcement was made by



CLANCY D. CONNELL

Herbert A. Hedges, National association president, following a mail vote of the trustees last week. The contest was between Mr. Connell, Philip B. Hobbs, Equitable Society, Chicago, and Roy Ray Roberts, State Mutual, Los Angeles.

The vote was taken in accordance with the N. A. L. U. by-laws, which provide that "in the event of a vacancy in the office of vice-president, of secretary, or treasurer between conventions, the board of trustees shall elect a qualified member of a member association to fill the office for the unexpired term."

Mr. Connell is placed in line for election as vice-president in 1944 and president in 1945.

It will be necessary for the board to follow a similar procedure and elect a new trustee to fill the vacancy created by Mr. Connell's election as secretary. The new trustee elected shall in accordance with the by-laws, "serve only until the next annual convention."

Mr. Connell was born at Gouverneur, N. Y. He was graduated from Hamilton College, Clinton, N. Y., in 1912. After seven years, during which he was engaged in social work, he entered the life insurance business in 1920 under Graham C. Wells, who for 20 years was general agent for Provident Mutual in Pittsburgh. Beginning with Mr. Wells from the opening of his agency in New York, Mr. Connell two years later became his agency supervisor and in 1927 his partner. Upon the retirement of Mr. Wells in 1932, Mr. Connell became gen-

Wartime Economic Balance

**U.S. Makes Real Advance in Attempt
to Combat Inflationary Tendencies**

By **STEPHEN M. FOSTER**
Economic Adviser, New York Life

During 1943 the efforts to achieve a wartime economic balance in this country have been far more successful than most people realize. Now, at the close of the year, the United States appears to have made a real advance in the attempt to combat inflationary tendencies, and to have made substantial progress towards attaining the economic and monetary equilibrium which is so essential to total victory.

A year or more ago, many economic observers anticipated a critical period ahead. The government was to absorb, for war purposes, the major portion of the gross national product, and there would be a drastic curtailment in the supply of goods and services available for civilian consumption. On the other hand, the public was to have vast sums of money available for spending, relatively few people seemed to recognize the importance of wage and price ceilings, and thrift was an almost forgotten virtue. As economists foresaw an ever widening inflationary gap between civilian demand and available supplies, it was thought that we might be heading for a period of skyrocketing prices.

However, during the course of 1943 it became apparent that economic and monetary controls, together with the patriotic response of the public to appeals to exercise restraint, were finally bringing about a measure of economic balance. And by the end of the year it was obvious that, at least for the time being, the upward movement of the general price level had been arrested.

It cannot be denied, of course, that

eral agent in New York for Provident Mutual.

Ever since he entered the business Mr. Connell has been active in the affairs of life underwriters associations. For several years he was a member of the executive committee of the New York City association and served as chairman of several of its important committees. For three years he served as secretary and in 1931-32 he was elected president of the New York City association. He represented the New York City association as its national committeeman from 1931 to 1942. He has been vice-president and president of the New York state association and has served as chairman of its general legislative committee.

Mr. Connell has been a trustee of the National association since 1941 and is at present chairman of the committee on agents' compensation.

Active in Many Fields

For two years Mr. Connell was chairman of the newly formed alumni council of Hamilton College. He is now chairman of the special funds committee to raise money for the alumni fund. He was vice-chairman and campaign manager of the Westfield (N. J.) United War & Community Fund drive, which has just gone over its quota. He is secretary of the General Agents & Managers Round Table of New York City, an informal social group.

A survey of his city, state and national association activities indicates that he possesses a tremendous amount of well-organized energy. In spite of the volume and variety of the work he accomplishes, he has an unusual faculty for getting genuine pleasure out of whatever work he is doing, whether in

(CONTINUED ON PAGE 13)

the inflationary forces of the past few years are still present in dangerous amounts, although the chief and most important one, the government's rate of spending, has apparently stopped expanding. But to the great surprise of many economic observers, certain powerful anti-inflationary factors have developed, and these are now tending to



STEPHEN M. FOSTER

neutralize the inflationary forces and therefore to check the upward movement of prices.

The inflationary effect of war upon our economy is now fairly well understood by the public. At present the federal government is spending about \$93 billion per annum, mostly for war purposes. The purchase by the government of vast quantities of goods and services tends to take goods and services away from the markets available to civilians. At the same time, however, since a large portion of the payments for governmental purchases are made to employers of labor for the production of implements of war, both employment and wages are greatly stimulated. And there results an increased flow of purchasing power into the hands of civilians. Thus, while vast government expenditures tend to curtail sharply the volume of civilian supplies, they also tend greatly to stimulate civilian demand.

Corrective Factors

However, relatively few people seem to understand the various corrective factors which have worked both to increase the volume of available civilian supplies

(CONTINUED ON PAGE 12)

Prudential Employees Buy 500,000 War Bonds

Formal ceremonies marked the purchase of the 500,000th war bond to be sold to an employee of Prudential under the salary deduction plan. President Franklin D'Olier presented a bond to John Henry Lippincott, agent in Long Branch, N. J. He has been an agent of Prudential for about two years. Mr. D'Olier stated that war bond purchases by Prudential employees under the salary deduction plan now amount to more than \$10,000,000.

Biddle Files Brief of 142 Pages in S.E.U.A. Case

**Justice Department Dis-
cusses Fate of State Regu-
lation in Much Detail**

The Supreme Court will probably hear the arguments in the S. E. U. A. case either Jan. 7 or Jan. 10. The latter date is believed the more likely of the two. The S. E. U. A. has until Jan. 4 to file its brief in reply to that filed by the government this week.

WASHINGTON—Apparently aware that the effect on state regulation of insurance may be the critical point in its case, the Department of Justice Monday afternoon filed a 142 page brief in its appeal to the U. S. Supreme Court which devotes considerable space to attempting to prove that the effect will not be very disruptive if Paul vs. Virginia is overturned and insurance is held to be commerce. Nevertheless the brief concedes on this point a great deal of what the defendants have contended. Otherwise the brief is pretty much an amplified version of the government's briefs presented at Atlanta in the district court action against the Southeastern Underwriters Association.

Attorney-general Biddle will present the government's case in its prosecution of the S.E.U.A. in arguments before Supreme Court, it is expected, before Jan. 15.

Considering that the fate of state regulation of insurance is such an extremely vulnerable point in the government's case, it seems surprising that it has gone into the matter in such detail in its brief. A possible explanation may be that since the Justice Department knew that the defendants would stress this angle the government would be in a stronger position by getting in its story first.

Lists Types of Conflict

After listing a number of types of state regulatory activity which the government argues application of the Sherman act would not prohibit, such as an antidiscrimination and antirebate and those prescribing standard forms of policies and coverages, the brief states:

"A type of conflict with the Sherman act would be one which authorizes a private combination of insurance companies to fix premium rates without the approval of any state authority. The states cannot, of course, nullify the federal act by authorizing private persons or groups subject to the antitrust law to do what that act forbids. "...a state does not give immunity to those who violate the Sherman act by authorizing them to violate it, or by declaring that their action is lawful..." (Parker v. Brown, 317 U. S. 341, at 351; Northern Securities Co. v. United States, 193 U. S. 197, 332, 344-347.)

"This limitation would affect the laws of a number of states. But the states by no means have a uniform policy against permitting rate competition among fire insurance companies. Thirteen states have no law which even mentions rate agreements or rate-making organizations."

The brief contends that there are only five states in which the rating bureaus

(CONTINUED FROM PAGE 8)

Life Insurance Gives Promise of a Broader Security

By CLARENCE C. KLOCK SIN
Legislative Counsel Northwestern Mutual Life

Out of the havoc wrought by war, American life insurance gives hope and promise of a broader security through the medium of the financial protection held by its 68 million policyholders.

The amount of life insurance owned by Americans in private companies reached the enormous total of \$139 billion at the year-end. Counting both policyholders and beneficiaries, this protection is shared by over 100 million citizens. It is a notable example of individual enterprise and thrift in action.

High Volume Written

New writings for the year were nearly \$13 billion, an increase of about \$1 billion over 1942. The result, under greatly reduced agency manpower, is almost incredible. The fundamental strength of the agency system has been proven beyond question during the present emergency.

Practically all of the 1943 statistics are favorable. Very impressive was the voluntary termination rate which declined further from the previous year's low. The result clearly demonstrates the public's faith and confidence in life insurance, as well as the efficiency of home office and field service to policyholders.

Total assets of the companies will amount to approximately \$37,675,000,000—an increase of \$2,925,000,000. Payments to policyholders, beneficiaries and annuitants during the past year were approximately \$2,400 million. Of this amount, \$1,300 million was paid to living contract holders. Altogether, the results of the year should be very gratifying to everyone concerned.

National Service Life Insurance

In addition to the record volume of insurance in force in private companies, there has been a tremendous volume placed by the government on the lives of members of the armed forces. Definite figures will not become available until some time after the first of the year, but the total of national service life insurance stood at \$96 billion on Dec. 1. This is more than three times the total of war risk insurance which was issued during the first world war. As was true at that time, the effect no doubt will be to educate millions of Americans concerning the advantages and benefits of life insurance.

Besides the servicemen's coverage, the government's social security system has enrolled some 45 million employed persons who will become eligible for old age and survivors' insurance benefits, as provided in the social security act.

The People's Savings

Looking further into the expanded financial security of the people, there must be included their vast personal holdings in war bonds and stamps, now estimated to be \$25 billion. This report does not take into account the many other savings and investments of the people of a very substantial amount. Truly, all of these savings will provide a great bulwark against any financial adversities that may possibly lie ahead.

Investments

Both the wealth and manpower of life insurance companies to a considerable extent have gone to war. To help speed the day of victory, the companies have invested much of their current income in government securities. For the past year, this investment amounted to nearly \$3,500 million, while the aggregate of such holdings at the year-end was about \$13 billion, or more than one-third of the total assets. Also serving the war effort, are their holdings in utilities, railroads, industrial and other

corporations aggregating about \$11,500 million.

The heavy drain of agency manpower which began in 1942 continued throughout the past year. It is estimated that more than one-fourth of the agency field has gone to the military front and to war plants. In a similar way, home offices have contributed about 20% of their personnel. Notwithstanding these heavy losses in manpower, both home office and field have functioned efficiently, utilizing to the fullest extent their available organizations.

Interest Yield

While the war continues, there is not much hope of an upward trend in interest rates. As additional sums are needed by the Treasury for the prosecution of the war, the time may come when the supply of money will not be as ample as it has been heretofore. If so, it may result in bracing the sagging rates, not necessarily affecting the government issues, but tending to increase somewhat the rates of other issuers in both bond and mortgage fields. In some financial quarters, it is believed that the very bottom has been reached in interest yields, regardless of the war's duration. For the immediate post-war period, some improvement in rates is looked for.

State Legislatures

The legislatures of 44 states met during the past year. The length of the sessions was reduced in most cases by the emphasis placed on prosecution of the war.

A tremendous amount of interest and attention was centered in the proposal recommended by the National Association of Insurance Commissioners, known as the Guertin bill, setting up new non-forfeiture values and related matters. The bill was introduced in 20 states and passed in 15, in one of which, New York, it was vetoed by the governor, who said he had not been given ample time in which to study the matter. The states in which the bill was enacted are: California, Delaware, Illinois, Indiana, Maine, Massachusetts, Maryland, Michigan, Missouri, Nebraska, New Hampshire, New Jersey, New Mexico and Wisconsin.

Another bill which carried the en-

dorsement of the insurance commissioners was the one aimed at unauthorized insurers. It was passed in several states, including Idaho, Maine, Maryland, Montana, New Hampshire, Oregon and South Dakota. Variations of the uniform bill were passed in Oklahoma and South Carolina.

No premium tax increases were made by any state, although several were proposed. In Maine, a bill taxing annuity considerations at 2% became law. Massachusetts, which has heretofore taxed life insurance .25% on the policy reserves, passed an act providing that the 1943 reserve tax should remain static at that figure until exceeded by a 2% premium tax, which thereafter would supersede the reserve tax formula.

Bills proposing limitations on the policy loan interest rate were introduced in Colorado, New York and Pennsylvania but failed to pass, while the old bugaboo "compulsory investment" reappeared in and was rejected by the legislatures of Arizona, Colorado, Georgia and Washington.

United States Congress

Unavailing were the efforts made in Congress the past year by the National Association of Life Underwriters for the inclusion in the tax bill of a deduction or credit on account of life insurance premiums in line with the bills of Senator Bridges of New Hampshire and Representative Goodwin of Massachusetts. These proposals, however, have not been finally rejected but will retain their status when the second session of the Seventy-eighth Congress convenes in January. The feeling of many observers at the capital in Washington is that the time will soon be ripe for giving some such concession to the overburdened taxpayer; in fact, the revenue act revision of 1943 seems to indicate that the tax load has reached its peak and that from now on the going will be easier.

Social Security Act

Legislation already before Congress for a greatly expanded social security system should be studied and considered from a broad viewpoint. As is generally known, the pending Wagner-Dingell bill provides for disability and health insurance coverage, including hospitaliza-

tion and medical care. Also included is a proposal to federalize state unemployment compensation insurance systems. The cost of such a program would be tremendous, and perhaps the foremost question is whether or not the economy of the country can stand it. It is obvious that Congress intends to proceed cautiously in the matter, and there is some doubt that the social security legislation will be brought up for hearings at the next session. There are some members of Congress who have openly advocated withholding action on the program for the war's duration, after which the actual conditions and needs could be realistically examined.

Insurance Commissioners

Under the energetic and capable leadership of Insurance Commissioner Harrington of Massachusetts, the National Association of Insurance Commissioners undertook settlement of major problems in the supervisory field with a greater zest than ever before. At the meeting in Boston last June and the recent New York meeting, some 25 standing committees and several special committees worked long and late to complete their tasks. When the reports of these committees were made to the concluding session of each meeting, there was abundant evidence that much work had been done.

Not to be overlooked in this connection, were the arduous duties of the committee on blanks, which met separately during the year, as well as the committee on security valuations and the zone meetings of the examinations committee. Last and perhaps foremost, were the meetings of the executive committee, acting for the entire group in the interval between the annual and adjourned sessions.

State Regulation

It is conceded on all sides that life insurance is affected with a public interest and therefore is subject to public regulation. Throughout its history of a hundred years, the business has been supervised by the states through insurance departments directed by a commissioner or superintendent. The business has had great growth and prosperity throughout this period.

There are some who believe that state supervision has been lax or insufficient and that federal regulation is therefore necessary. The case for federal regulation has been espoused in Congress for several years, but nothing has come of it. Meanwhile, it would seem sensible for all concerned, including those who are federally inclined, to lend their efforts to improve upon and strengthen the existing state system. In this respect, insurance departments should be supported and encouraged in their efforts to obtain capable men as actuaries, auditors and examiners.

Insurance Anti-trust Bill

Now pending in Congress is a bill to exempt insurance from the Sherman and Clayton anti-trust acts. This bill is the outgrowth of the Justice Department's anti-trust suit against the South-eastern Underwriters' Association.

On a strict interpretation, the bill does not purport to cover the broad question of supervision of insurance, and, so far as is known, life insurance companies have not participated in the hearings on the proposed legislation.

Supreme Court Cases

Early in the new year, the United States Supreme Court is expected to hear arguments in two cases of vital interest to life insurance. The first one

(CONTINUED ON PAGE 10)

Three Generations of Managers



Three generations of Spokane managers for Mutual Life got together at the induction of John L. Scripps, right, as successor to Percy L. Cochran, cen-

ter, who is retiring due to ill health. W. H. Shields, left, served as the Spokane manager of the company from 1914-1930.

Limitations in Group Disability

Equitable Society Changes Reflect Increasingly Unsatisfactory Experience

Equitable Society has introduced a number of restrictions in its group A. & H., A. D. & D., hospital expense and surgical expense coverage. Many observers believe that this presages a general movement in the group field, inasmuch as group disability experience has been becoming increasingly unsatisfactory.

The loading for color and sex that may have been applied at the time the policy was written or renewed is frequently far less than the exposure very shortly thereafter. With married women entering into industry, there has been a great increase in maternity claims inasmuch as the common group provision is only a six weeks waiting period in connection with the maternity clause. The increase in number of older employees has caused an increase in disability claims and the most recent adverse factor is the increasing employment of disabled war veterans. The fact that weekly benefits may be keyed to total earnings makes the weekly indemnity extremely attractive to the female employees particularly and there has been an increase in malingering.

Coverage Stops at 70

Under the Equitable changes, no employee will be eligible if 70 years of age or over and those attaining that age while insured under the new plan will have their certificates terminated. Such an age limitation provision was contained formerly in Equitable policies but it was eliminated some time ago. The maximum period for paying benefits under accident and health group cover will be 13 weeks with a seven day waiting period in each case. The amounts of weekly indemnity are to approximate 50% of the base pay for a 40-hour week, exclusive of overtime pay or bonuses. In groups of less than 100 employees the maximum payment per week is \$25. In connection with groups of less than 100 employees there will be a three month probationary period on original and new employees.

Claim Racket Encountered

Group insurers have found that workers who are in bad physical condition will seek employment at plants where liberal disability plans exist and then very shortly go on the sick list and draw weekly indemnity. The three months' probationary period is probably intended to block such maneuvers.

There would still be a possibility of employers getting more liberal terms in the way of benefits but if that is desired, special home office approval will have to be obtained.

There have been rumors of a possibility of an increase in group disability rates on the part of the companies but Equitable Society appears to have decided to try to hold to the same basic rates and keep the experience in line by introducing limitations of coverage.

J. A. Tuck Is Advanced in Canadian Organization

J. A. Tuck has been named assistant general counsel of the Canadian Life Insurance Officers Association. He has been legal assistant in the association since 1937.

A native of Niagara Falls, Ont., Mr. Tuck lived his boyhood in western Canada where he graduated in arts and law from the University of Alberta.

Ohio Nat'l Xmas Check

A Christmas check was presented to each employee of Ohio National Life this year as a substitute for the usual party.

Mills Again Handles Bankers Life Advertising



BERT N. MILLS

Bert N. Mills, secretary of Bankers Life of Des Moines, will take charge of the advertising department in connection with his other duties Jan. 1 when John H. McCarroll, present advertising manager, leaves to take charge of a weekly newspaper he purchased at Wickenburg, Ariz.

Mr. Mills is a former newspaper man, having worked on the Des Moines "Daily Capitol" before joining Bankers Life, and was active in the advertising department a number of years ago. Company officers tendered Mr. McCarroll a farewell party and in addition members of the advertising and printing staff presented him some "tools," including a printer's apron, as farewell gifts.

Bankers Life will reduce its weekly house organ, "Onward," from 16 to four pages Jan. 1 as a means of conserving paper. It will issue once a month a special issue containing monthly production records and sales material now carried weekly.

Central Life of Iowa Has Pension Plan for Agents

Formation of a quarter-million dollar production club and announcement of a pension plan for agents featured the president's trip meeting of Central Life of Des Moines at Chicago.

The top 26 producers attended the meeting at which E. H. Mulock, president, presided and other home office representatives attended.

It was announced that the company will have the quarter-million dollar club for which membership will be based entirely on a quota of \$250,000 of insurance annually. At present the company has three other clubs based on merits, such as renewals, etc., instead of volume alone.

Under the pension plan contributions are to be made by both company and agent.

Alliance Life Qualifiers Receive Christmas Checks

During Christmas week Alliance Life of Chicago sent checks to more than 50 agents who received bonuses ranging up to \$175 in connection with the fall campaign. The five winners qualifying for special prizes were C. A. Ruebeam, Des Moines; D. J. Patterson, Battle Creek, Mich.; W. F. Griffin, Gary, Ind.; C. D. Grant, Tulsa, and L. R. Cardwell, Rockford. President M. A. Kern reports increase in new business for 1943 has shown a gain throughout all the months. The total for the year is about 20% higher.

Comment by Director of Bureau of Old Age & Survivors Insurance

John J. Corson, director Bureau of Old Age & Survivors Insurance, a part of the Social Security Board, writes THE NATIONAL UNDERWRITER:

"Your editorial entitled 'Paying People for Not Working,' in the Dec. 3 issue of THE NATIONAL UNDERWRITER, has come to my attention. I should like to comment on the opinions which you have expressed with respect to the suspension of an individual's benefit payments under the old-age and survivors insurance provisions of the social security act for any month in which he works in covered employment for wages of \$15 or more. I am particularly concerned with your concept of this restriction as a punitive measure, and with your idea that its purpose is to force people out of work, thus leaving more jobs open for others.

Purpose of the Insurance

"The old-age and survivors insurance program is definitely not intended to force competent, productive workers, who wish to keep on working, to give up their employment simply because they have reached age 65 and are eligible for benefits. However, neither is it intended to provide such individuals with additions to their income which they presumably do not need. The retirement benefits payable under the program are to be thought of, not as insurance against attaining age 65, but rather as insurance against the risk of nonemployment due to old age. Like other insurance benefits, they are properly payable only when the hazard occurs.

"The primary purpose of paying benefits to young widows with children is to enable them to stay at home and care for the children, and one of the primary purposes of child's benefits is to enable the children to go to school. If young widows and children were allowed to receive benefits while working, these purposes would be defeated.

Further Factor Pointed Out

"A further factor is that to pay benefits to persons who are otherwise eligible, but who are working, would approximately double the immediate over-all costs of the program. To meet the increase in costs, increased taxes, a general reduction in benefits, a federal subsidy, or some combination of the three would ultimately be necessary. In view of the fact that the major purpose of the old-age and survivors insurance program is to prevent want, it would seem preferable, if taxes are to be raised, to use the additional taxes to make payments to groups of individuals, such as disabled workers, who are not now provided for under the program, rather than to pay benefits to employed persons and their dependents.

"You express concern about the adverse effect on the war effort, and on production after the war, which may result from workers leaving their jobs in order to be eligible for benefit payments. However, old-age and survivors insurance benefits in general are barely adequate for subsistence, and would hardly be high enough to induce many workers to retire who could keep on working. Available data show that a great many individuals who otherwise could receive benefit payments prefer to work rather than to retire. The number of retired workers actually in receipt of benefits in June, 1943, was 284,000; in the same month there were about 900,000 persons age 65 or over who had been employed a sufficient length of time to be eligible for benefits. Of the 284,000 who were receiving benefits, no doubt some were working in noncovered employment. My belief, which is supported by field studies made by the Social Security Board, is that of the balance only a very few are able to work.

"You mention that the public is generally ignorant of the restriction of bene-

fit payments to persons not working in covered employment. However, every old-age and survivors insurance beneficiary should be well aware of this fact, as it is explained in every 'award of benefits' letter. It has also been publicized in the press and by the field offices of the Social Security Board. In addition, beneficiaries are contacted whenever the wage records of the Board show that they are earning \$15 or more a month in covered employment.

"The ultimate aim of the old-age and survivors insurance program is closely allied to that of private insurance, namely, the prevention of want. I hope that I have made clear to you in some measure that the suspension of benefits of employed persons is not a punitive measure, but rather is a test of the occurrence of the risk insured against, and that the purpose of this restriction is to make certain that the premiums paid under the program are used in the most effective manner possible to prevent want. To pay benefits to individuals who are otherwise eligible for them, but who continue working, would not be a means of accomplishing the end towards which we are all striving."

90% of Soldiers Are Insured: Average \$9,000

WASHINGTON—About 90% of the Army is insured under National Service Life, according to War Department officials. The average insurance runs over \$9,000 per man, it is stated.

The department has instructed National Service Life specialists in the field to report the percentage of the Army insured and the amount of policies held, as of Dec. 31, 1944.

Meanwhile the War Department has been revising a draft of its National Service Life manual of instructions for guidance of officers assigned to the writing of such policies and for information of the insured.

Ostheimer Names New Round Table Committees

An ambitious program of activity has been outlined by the executive committee of the 1944 Million Dollar Round Table of the National Association of Life Underwriters, announces Alfred J. Ostheimer, 3rd, Northwestern Mutual of Whitford, Pa., chairman.



A. J. Ostheimer, 3rd

A major objective will be a closer and more active participation in the work of the N. A. L. U. and its various committees and for this purpose a special committee of the round table composed of Mr. Ostheimer; John E. Clayton, Massachusetts Mutual, Newark; Louis Behr, Equitable Society, Chicago; Harold S. Parsons, Travelers, Los Angeles, and Ron Stever, Equitable Society, Los Angeles, all members of the executive committee, has been formed.

Mr. Ostheimer has named other committees and Mr. Ostheimer is chairman of the program committee; Mr. Behr, publicity; Mr. Clayton, insignia; Mr. Stever, nomenclature; Mr. Parsons, pre-convention meeting.

The executive committee will meet in Los Angeles early next April. Application blanks have gone forward to all members of the 1943 round table. All requests for admission from newly qualifying members should be addressed to Alfred J. Ostheimer, 3rd, Whitford, Chester County, Pa.

Midland Mutual Has Agents Pension Plan

Individual Insurance in Force Figure Governs Amount of Participation

Every full-time agent of Midland Mutual Life who has paid for \$50,000 or more of life insurance and annuities in at least two of the last five years will be eligible for membership in a retirement plan for agents effective Jan. 1. The plan is contributory for members who will not have attained age 65 on Jan. 1, 1945.

The required annual contribution of each member is 10 cents per \$1,000 of his insurance in force. In addition the member may make supplemental contributions each year, aggregating not more than the normal contribution for that year. The contributions will be accumulated at interest until the member attains age 65. The accumulated contributions then will be applied to provide a life annuity on the refund, straight life or joint and survivor plan at the option of the member.

Company's Contribution

In addition to the annuity purchased by the member's accumulations, the company will provide a pension equal to 2 cents per \$1,000 of the average insurance in force of the member during the five years preceding retirement multiplied by the number of service years credited. Credit for a service year is given for each calendar year in which a member places in force \$50,000 or more of insurance and annuities.

Illustration of Plan

To illustrate the pension calculation, assume that the average insurance in force of a member in the five years preceding retirement is \$1,500,000 and that the member has received credit for 30 service years. Two cents per \$1,000 of insurance in force is \$30, multiplied by 30 service years gives an annual pension of \$900. The pension will be paid monthly, each payment being 1/12th of the annual pension. That part of the pension provided by the company is limited to \$900 annually. The plan also provides benefits in event the member becomes totally and permanently disabled before age 65.

Persistency Reward

The retirement plan is designed to reward members for persistency of insurance in force and for years of service with the company. The plan is relatively easy to administer as both the contributions and the retirement benefits are based upon the member's insurance in force.

Several Midland Mutual agents now age 65 or older will receive monthly pension checks, beginning in January, 1944.

Participation in the retirement plan will have no effect whatever on the agent's contract or his activities, either before or after retirement age.

This new pension plan has been enthusiastically endorsed by the field.

Chicago Insurance Employees Exceed 15,000

The Chicago insurance committee dealing with problems involved in the 48 hour week order are busy this week tabulating the results of the questionnaires which insurance employers were asked to complete. While several large offices have not yet reported, it is estimated that the number of salaried employees in Chicago insurance offices employing 8 or more persons exceeds 15,000. Most of the offices are presently working less than 40 hours and nearly all of those responding say they could not release any employees with a longer week.

Hear Polish Alliance Case Jan. 7 in U. S. Supreme Court

Oral argument in hearing of the suit brought by Polish National Alliance of Chicago, based on Paul vs. Virginia, for injunction against the National Labor Relations Board to prevent organizing of its employees and the holding of an election to determine bargaining agency, will be held Jan. 7 before the U.S. Supreme Court. Briefs were filed in this very important case about a week ago, according to President I. K. Rozmarek and Casimir Midowicz, general counsel.

This case came to a head about the time of the attack at Atlanta on fire insurance companies in the Southeastern Underwriters Association and is considered of equal importance.

Gist of Society's Contention

Polish National opposed the attempt to organize its employees, which was signaled by the filing of a complaint by the NLRB administrator. The society argued employees of fraternal societies did not fall within scope of the act and that there was not the required majority of employees behind the organization move. It lost the decision, however, and the circuit court of appeals held a fraternal was much like a mutual insurance company and was under the act by virtue of using the mails, telegraph and telephone, and because of having investments that were scattered throughout the nation.

The society's brief argues that the mere act of using the instrumentalities of commerce does not place it in the business of transacting interstate commerce so that it would be subject to NLRB and the act. The fraternal is essentially a non-profit medium and therefore not in commerce. If classed as doing an insurance business (one of the arguments advanced by the NLRB in proof of its being in commerce), the society's brief argued, Paul vs. Virginia still holds in view of the long established line of decisions and the fact that Congress amended the labor act without specifically including insurance. Insurance companies cannot be interpreted to be under the act until Congress specifically includes them, it was argued.

Notes Unintended Result

The Polish National Alliance brief holds that to render a decision that fraternal insurance is interstate commerce merely because it uses instrumentalities of interstate commerce, similarly would place in interstate commerce churches, universities and other non-profit, charitable and benevolent institutions which employ the same instrumentalities and perhaps have funds widely scattered in investments in many states. Thus all of these automatically would be placed under federal control, which the brief argues was not the intent of Congress. The sovereign power still rests with the states, the brief concludes, and Congress' power is purely one delegated by the people.

Cleveland Agency Wins Ohio State Trophy Again

COLUMBIA, O.—For the fifth consecutive year the Cleveland agency of Ohio State Life, of which Carl Adams is manager, won first place and the Victory trophy in the two-month nationwide campaign honoring President Claris Adams. Other leaders in order were Marion, O., Columbus, Los Angeles and Pittsburgh.

Alfred Guay, Los Angeles general agent, led the individual producers and Willard Morris, Columbus, was second. All the winners in the campaign will be presented war bonds or stamps.

The Victory trophy will be presented to the Cleveland agency at a special meeting which will be attended by several company officials.

Life Companies Taking Leadership

Holgar Johnson Points Out Program That the Industry Is Following

SPRINGFIELD, MASS. — Every business must have a positive program of social responsibility and good citizenship to prosper in the post-war period of peace-time production and competition, in addition to producing its goods and services at the lowest possible cost, Holgar J. Johnson, president of the Institute of Life Insurance, told the Advertising Club of Springfield, speaking on "Taking Business Before the Bar of Public Opinion."

"The life companies in recognition of this need have taken a position of leadership in a program of public education through the newspapers of the country to help hold down living costs and prevent a runaway price inflation," said Mr. Johnson.

As part of such a program, Mr. Johnson cited five specific activities as vital for every business firm in the days of post-war readjustment, and these, he said, must be planned for well in advance:

1. Reconversion or readjustment to peace-time production and business should be planned to take a minimum of time.
2. All men returning from service should be reemployed, and as far as possible those employed on war production should be retained to aid in achieving full employment and avoid the dislocations that arise from unemployment.
3. Business must seek to increase individual opportunities for betterment and advancement among personnel.

Other Points to Watch

4. The business firm must see that the personnel understands how the firm operates and how the employees share in its progress.
5. The company's policy must be established with the public interest uppermost.

"These are all fundamental parts of the increased social responsibilities of business," Mr. Johnson continued, "and neglect of them will not only injure the individual business concern, but will create ill-will towards the whole structure of business. Public opinion reacts swiftly to the acts of business and judges all business by its relationships with a few of its component parts."

Lockhart of Texas in "Ad" War on Bureaucracy

AUSTIN, TEX.—A battle of paid advertisements, containing frequent reference to bureaucracy and involving Chairman O. P. Lockhart of the Texas board of insurance commissioners, is under way here. Greeting Representative Lyndon Johnson on his return to his home district was a paid advertisement in the Austin "American-Statesman" in which Commissioner Lockhart propounded several questions. One of them asked Johnson what he had done to curb "dictatorial bureaucratic tendencies in the federal government."

Replying in behalf of Johnson, Everett L. Looney, who was an assistant attorney-general of Texas in the Allred administration, said to Commissioner Lockhart, in a paid newspaper advertisement: "Why don't you tell the people you are the head bureaucrat of one of the biggest bureaus in Texas?"

When Mr. Lockhart was asked if he intended entering the congressional race against Johnson, who will probably seek the renomination in the 1944 Democratic primary, he said: "I had just \$42 worth of curiosity and the paid advertisement states all I have to say."

National Board Memorandum Sets Record Straight

NEW YORK—The National Board of Fire Underwriters, New York City, has mailed to fire insurance agents throughout the country a memorandum citing from the record of Congressional hearings on the Bailey-Van Nuys bills answers to charges and misstatements made by opponents of the measures.

The memorandum cites passages to refute charges that the bills are backed by a \$700,000 "slush fund," that an extra 5% commission was allowed a certain group of agents to push the legislation through Congress; that the legislation is aimed at promoting monopoly; that the companies are using it to escape prosecution; that the bills would supersede the Supreme Court in the Atlanta prosecution of the S.E.U.A.; that special privileges or favors are being sought through the bills; that there is no control whatsoever over fire insurance rates in some 25 states; that the proposed legislation would create a "no man's land" in insurance.

The memorandum quotes the categorical denial made before the Senate judiciary subcommittee of the first two charges. On the monopoly charge it quotes Rep. Hancock of New York on the great number of insurance companies outside the associations referred to by the attorney-general. It cites the House judiciary committee report regarding granting of exemption from the anti-trust laws as follows:

"The bill could have no such effect since the antitrust laws have never been applicable to the business of insurance and if insurance is to be made subject to those laws it should be done by an act of the Congress which is the law-making and policy-fixing body of the government."

Other sections of the memorandum cite facts and figures from the record to refute the other charges. As to the amendments to the proposed legislation suggested by Senator O'Mahoney the memorandum states:

"First, they would cause utter confusion in the business; second, the states already have the control purported to be given them in these amendments, and third, the effect would be to impose a kind of federal regulation disguise."

McAndless Added to Service Cover Committee

WASHINGTON. — The Veterans Administration has announced the addition to its consulting committee of life insurance actuaries of A. J. McAndless, president of Lincoln National Life.

H. W. Breining, assistant administrator in charge of insurance and finance, states that the actuarial committee will meet from time to time, on call, for consultation regarding problems that may arise in connection with the government insurance program. It is a policy advisory committee.

Among matters considered at its recent meeting, the committee discussed the valuation of insurance funds, Mr. Breining indicated.

The committee was consulted, it is understood, as to what reserves should be set up for discharge and waiver of premiums.

Under the law, the Veterans Administration may issue National Service Life regulations. One of the changes therein has been to extend from three months to six months the period within which a person may have his insurance reinstated after discharge from an armed service.

This can be done under the regulations upon a showing that the person is in as good health as when his policy lapsed and upon payment of back premium.

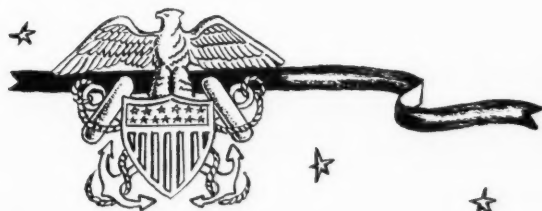
Harold M. Price
 Robert G. Hayes
 John Shoemaker
 Joseph E. Frey
 Jamie Culp
 Charles P. Erickson
 Jack Horne
 Robert O. Shacklett
 George C. Walters
 Jeff Woodruff
 Charles F. Gorman
 Archie Barnich
 J. H. Meyer
 J. E. Stuart
 E. M. Shreckengost
 William M. Piatt
 Edgar F. Scheibel
 Steward Scobey
 L. B. Rhines
 Louis L. Carpenter
 Mary I. Miller
 R. Kenneth Jones
 Robert B. Charles
 Herbert Worel
 Bernard A. Dugan
 Barnet Sakulsky
 Stanley R. Fritts
 Warren Cremean
 Dar Nelson
 R. T. Siegman
 R. Kenneth Jones
 E. W. Wuest
 Alfred J. Limb

★ ★ ★ ★ ★ ★ ★ ★ ★ ★

SIXTY-SIX of our associates are serving in the Armed Forces of the United States. As the curtain rises on a new year, we express our profound wish for their early return to a full enjoyment of happier and more peaceful days.



Paul E. Garrett
 George Ziegler
 Robert Roesch
 Helena Louise Auxier
 Arthur Behn
 Robert A. Brinkman
 W. C. Costello
 John H. Gleason
 George R. Grace
 A. Otis Graeser
 Wm. Scott Heim, Jr.
 Lawrence Joering
 Frank Johnson
 R. M. Kidd
 Denver Earl Mays
 Wm. R. Modene
 Albert D. Moser
 Edward G. Breen
 Joseph P. Ullman
 S. E. Wildman
 H. M. DuPont
 J. Arthur Berk, Jr.
 Paul R. Hutchinson
 Kenneth E. Weaver
 C. A. S. Hollinger
 Kenneth B. Wade
 Thelma Smith
 Charles E. Templeton
 Richard J. Shamla
 Clinton Caylor
 Maunsell White
 J. Robert Cole
 Jack P. Pritchard



THE OHIO NATIONAL LIFE INSURANCE COMPANY
 CINCINNATI, OHIO

T. W. APPLEBY, President

Union Mutual Sales Aces H. O. Executives for a Day

Fred R. Fast, Newark manager, won the honorary presidency of Union Mutual Life, on the basis of his fall sales campaign production. Other honorary officers whose production qualified them for home office executive positions for a day in conjunction with a January sales meeting, are: A. P. Labbe, Van Buren, Me., vice-president and secretary; W. T. Worcester, Portland, vice-president and actuary; U. Daigle, Van Buren, Me., medical director; W. H. Becker, St. Louis, vice-president; L. H. Whitestone, and J. S. Taylor, New York, B. C. Allin and H. M. Illingworth, Portland, second vice-presidents; W. S. Gishler, Buffalo, superintendent of agencies; E. L. Goodwin, New York, assistant actuary; H. W. Davin, Rochester and R. L. Feldman, Pittsburgh, assistant secretaries; and J. M. Voss, Boston, agency secretary.

There are 24% fewer life agents now than before the war, yet sales of ordinary life insurance are up 30% as compared with 1940. This indicates more interest on the buying side because of both increased earnings and greater interest in personal security.



I SUPPOSE YOU'VE HEARD ABOUT THE SMALL BOY WHO VISITED SANTA CLAUS IN THE DEPT. STORE. PROMPTLY PUNCHED HIM IN THE STOMACH, SAYING, "THAT'S FOR THE WAY YOU TREATED ME LAST CHRISTMAS."

* * *

UNFORTUNATELY, we haven't treated some of you very well last year—and yet you have been so patient and so tolerant that you have made the going easier. Sometimes we've made mistakes in shipments, but that's because it is easier to hire a \$5,000-a-year editor than a \$20.00-a-week shipping clerk. Sometimes we have invoiced you in error, because eight girls are doing the work of sixteen girls. Sometimes we have disappointed you in shipping dates, but that's because it takes a month to bring a car load of paper from Massachusetts where it once took a week. And so it has gone.

* * *

WILL ROGERS once said, "Courtesy is the axle grease on the wagon wheels of life." Your graciousness certainly has kept the R & R wagon wheels from squeaking too loud during the troublesome times of '43—and as conditions become more normal, we'll try to repay you with the best brand of service possible.

PAUL SPEICHER
Managing Editor
THE INSURANCE
RESEARCH & REVIEW SERVICE
INDIANAPOLIS

McLain Reviews Contributions Made Toward War Effort

Life insurance is making a 100% contribution to the war effort while maintaining more protection and service to the civilian population than ever before, James A. McLain, Guardian Life, president of the American Life Convention, states in his quarterly report just issued.

In discussing the outlook for the first quarter of 1944, he said "people have reaffirmed their confidence in life insurance; companies must reaffirm their confidence in the future and their determination to meet company and joint responsibility in building for victory and beyond."

Stresses Service on Home Front

He cited the life companies' immense purchase of United States and Canadian government securities, to help finance the war, and also the service of life insurance on the home front, emphasizing the fact that the American people are by far the most heavily insured in the world as making an inestimable contribution to the national morale. To show what life insurance means to the home front he pointed out that policy lapse and surrender rates are the lowest in history, the policy loan account is being reduced constantly, and sales of new insurance are substantially higher than a year ago.

"Some 30% of the men and women of the life insurance industry are serving in our armed forces," he said. "Many have already been killed in action. Others have been wounded. A large number have been decorated for bravery in action. The departure of so many of our agents greatly increased the task of those who have remained on the job. The fact that the sales of new life insurance in the first 11 months of 1943 increased about 9.5% compared with the same period in 1942 is a fine tribute to our agency forces. That gain, accomplished with a loss of at least 25% of our effective selling forces, means that the agents still on the job increased their average personal production about 46%."

Aid for Service Cover

Furthermore, life insurance agents, without any compensation whatsoever, went into army camps, stations, posts and reservations and similar naval, marine corps and air forces installations to induce the men and women in uniform to protect themselves and their dependents with government life insurance.

He referred to the fact that total claims paid by American life companies on deaths among men in service totaled \$32 millions under some 23,700 policies up to June 30, 1943. Recent casualty lists issued by the army and navy would indicate that the grand total for 1943 will show a very substantial increase in both total payments and number of policies compared with the June 30 figures.

With reference to world conditions ahead, Mr. McLain continued:

"If, as it seems generally and reasonably to be assumed, the war with Germany ends in 1944, life insurance will be faced with another obligation and opportunity. Products for civilian consumption, which have not been available, will begin to appear again, but slowly and in far too small quantities. There will be some swollen wartime incomes. People will find it harder than ever to resist the urge to buy things, bid up prices, to start the whirling spiral of upward living costs. Life insurance management and life insurance field representatives must be prepared to hold this movement in check.

"The war may not end in 1944, in fact it probably will last for a few more years, but we face the new year with confidence that in the next 12 months we shall advance far upon the road to

President Hogan of the United, Chicago, Has No Christian Name

Many insurance men know that O. T. Hogan is president of the United Insurance Company of Chicago. He is one of the resourceful, aggressive, hard hitting executives who has made special study of production along with administrative work. A number have inquired as to what the "O" stands for. As a matter of fact, Mr. Hogan has no first name. His parents named him O. T. Hogan. The "O" stands for nothing and the "T" stands for nothing. He is known far and wide simply as "O. T." Perhaps there are very few men in the country that have that distinction. He seldom runs into any complications. If he has to sign an official document requiring his full name he explains the situation. The only time that he ran into real difficulties was when he got married. The license clerk demanded his name. It took him some time to convince the clerk that he was simply "O. T." His folks called him "Otie." He was christened "O. T." and such he has remained.

final and complete victory and that, God willing, our fighting forces will again bring a just and, this time, a lasting peace to all men and women of good will."

Completes 1,000 Week Record

Security Mutual Life of Nebraska honored E. C. Munsell of Lebanon, Kan., for protecting at least one family a week for 1,000 consecutive weeks.

Mr. Munsell wrote an application each week beginning on Oct. 25, 1924. His business has been among people of all walks of life—doctors, dentists, teachers, business men, farmers, children, etc. In a rural territory of north central Kansas he has fought blizzards, experienced extreme drouths, occasional illness and still has gone consistently on his way producing at least one application each week. Several winters ago when illness forced him to stay indoors for four weeks he wrote his weekly application by telephone.

Mr. Munsell is very civic minded. His office has become the center of many activities because he provided help to his clients, particularly assistance with tax and estate problems.

M. A. Hyde, agency vice-president, presented a scroll to Mr. Munsell.

Berry Elected in Indianapolis

INDIANAPOLIS—Cecil Berry has been elected president of the Indianapolis Life Insurance & Trust Council. He is vice-president and trust officer of the Union Trust Company and succeeds

Revenue Bill Report Made by Senate Committee

WASHINGTON—Reporting on the revenue bill, the Senate finance committee says of section 112, providing for financial returns from certain non-profit tax-exempt organizations, that "the exemption of existing law is continued with respect to fraternal beneficiary societies, orders or associations (a) operating under the lodge system or for the exclusive benefit of the members of a fraternity itself operating under the lodge system; and (b) providing for the payment of life, sick, accident, or other benefits to the members of such society, order, or association or their dependents."

The Senate virtually repeats the House ways and means committee statement that many tax-exempt organizations are operating apartment houses, office buildings and other enterprises directly competing with concerns paying taxes on incomes derived from like organizations.

Apparently the requirement of annual financial returns extends to certain fire and casualty mutual insurance companies and many other organizations tax-exempt.

Of the freezing of social security taxes recommended by the finance committee, its report says, "This has nothing to do with the question of expansion of social security benefits and coverage."

The report says further that when Congress, in 1939, changed the character of social security reserve funds, "putting them on a contingent or a pay-as-you-go basis, it recognized the difference in character between private insurance and public insurance, which is tax-supported."

The committee adds that "Congress obligates itself in the future to make whatever direct appropriations (in lieu of appropriations for interest on bonds in reserve) are necessary to maintain the full and complete solvency of the old-age and survivors benefit funds, because there could be no more solemn public trust."

"The statutory rule, requiring contingent reserves which are at least three times as large as the total cost of the system in any one of five subsequent years, is a complete measure of contingent protection and always gives congress at least five years' notice of any possibility of delinquency."

Dan W. Flickinger, general agent of John Hancock. Howard E. Nyhart, manager Connecticut General Life is vice-president; Tom Hendricks, assistant secretary Security Trust Company, treasurer, and Milton Elrod Jr., attorney, secretary. J. Albert Smith, vice-president Fidelity Trust Company, and Fitzhugh Traylor, manager Equitable Society were elected to the executive committee.

ARE YOU THE MAN?

The man we are looking for is upright and honest. He has had a broad experience as an agent and has been a consistent producer. He has the ability and personality to develop an agency force. He has an ambition to advance to an executive capacity. Preferably he has had experience in the sale of mortgage cancellation insurance and other forms of term insurance based on credit risks. This last, however, is not necessarily essential.

To such a man we are prepared to offer a liberal agency contract and an opportunity to work with and out of the Home Office. Full cooperation will be given and the opportunity afforded for unlimited advancement as Home Office executive in charge of sales.

Reply in writing, giving experience and qualifications.

Inquiries treated confidentially.

GREAT LAKES INSURANCE COMPANY
ELGIN, ILLINOIS

Survey Is Made by Insurance Institute on 1943 Increases

American families increased their aggregate holdings of life insurance by \$3,700,000,000 during 1943, the largest gain in family protection ever recorded for a single year. H. J. Johnson, president Institute of Life Insurance, declared in reviewing the activities of the life insurance business in the past year.

The 68,000,000 policyholders now own \$139 billion of life insurance, the Institute estimates. This is \$14 billion more than the total owned when America entered the war and represents a three-fold benefit to the nation's war economy; greater current protection for American families; greater reserve strength for the post-war need; and a contribution to the anti-inflation battle through the sums diverted from spending to this type of saving.

Life Insurance Reserve Funds

Life insurance funds supporting this protection at the year end amounted to \$37,675,000,000, an increase of more than \$5 billion since Pearl Harbor.

Financing aid to the war program reached a new high point during the year. Purchases of government securities by life companies exceeded by a substantial margin the companies' premium income and at the year end the investment of policyholder funds in government bonds amounted to \$12,600,000,000, an average of \$380 per family. One-third of all life insurance assets are now invested in U. S. government securities.

Increase in Credit Mortgages

While approximately 75% of all life insurance funds available for investment was put into U. S. government securities, the financing aid to the home front economy through investment in business securities and in real estate mortgages was substantially maintained. Of particular significance in this connection was the increased flow of money into mortgages on city homes, including apartments, which accounted for more than \$400,000,000 of the year's investment. Substantial progress was made in the sale of both farm and urban properties that had been taken under foreclosure during the depression.

Benefit Flow Maintained

The flow of benefit payments in 1943 continued at approximately the same rate as in 1942, constituting an effective stabilizing force on the home front economy. Payments of all kinds to policyholders and beneficiaries during the year amounted to \$2,400,000,000. Death benefit payments were nearly \$100,000,000 greater than in the previous year, but emergency calls for cash values decreased by more than \$150,000,000 to an all time low rate, half that of pre-war 1941. The aggregate of other payments to policyholders and beneficiaries increased somewhat with both annuities and matured endowments above 1942, and dividends to policyholders changed little.

A factor in the increased death benefit payments was the rise in claims resulting from the deaths of men of the armed forces. These claims were handled expeditiously under the system worked out by representatives of the services and the International Claim Association, representing the companies.

More Women Employed

Policyholder services were maintained during the year, in spite of increased drain of personnel into war service. There has been a noteworthy increase in the employment of women, especially in agency ranks, where they had not been numerous previously.

Life agents continued their voluntary campaign of setting up payroll deduction plans for war bond purchases, their efforts accounting for a substantial proportion of the Series E war bonds sold

by the Treasury. In addition, the agents and the home office employees participated actively in the war loan drives, both in organization work and direct sales solicitation.

Thrift Use Recognized

The established position of life insurance as one of the more permanent forms of savings won recognition in the government's campaign to hold down living costs and prevent a runaway price inflation. Recognizing the seriousness of the problem and its responsibility of service to policyholders, the life companies during the year initiated a co-

operative program to enlist public support in the battle against inflation.

Progress was made during the year towards the adoption of the new mortality tables. The model plan, developed by a joint committee representing the insurance companies and the insurance commissioners, was adopted by fourteen states during 1943. Another important development of the year was the enabling legislation adopted by four states, to permit life companies to invest in large scale, low-cost housing as direct owner-operator, as well as mortgagee. This is expected to result in increased financing aid from life insurance funds

Convention Dates

Jan. 11-12, National Association of Accident & Health Underwriters, winter meeting, Des Moines, Hotel Fort Des Moines.

March 23-25, National Association of Life Underwriters (mid-year) Buffalo.

April 19-21, Insurance Accounting & Statistical Association, Omaha, Hotel Fontenelle.

May 5, Ohio State Life Underwriters Association, Columbus.

in urban rehabilitation work in the post-war period.

*"I earned over
\$15,000 in
1943" ...H. F. FULTZ*



WHEN Mr. Fultz says that he earned in excess of \$15,000.00 during the past year—his first with the Franklin Life—he is not indulging in tricky or misleading phraseology; and he does not include any renewal commissions. He simply means that he has received in cash over fifteen thousand good hard American dollars—spending money.

A supervising department head in the Illinois State Insurance Department for nine years, his coming to the Franklin was the result of careful and deliberate choice. "One single policy contract," he says, "made my record possible. It is the PRESIDENT'S PROTECTIVE INVESTMENT PLAN—unequalled in the insurance industry."

Mr. Fultz is living proof of the quality of Franklin sales tools, and the advantages of specializing. He has averaged better than an application for every working day in the year, all individual sales. Every application was accompanied by cash—80% on an annual basis.

The Franklin Life Insurance Company is proud to pay tribute to this peerless salesman. The same policy contracts which he used, have doubled and tripled the income of scores of other Franklin representatives during the past year.



The Friendly
FRANKLIN LIFE INSURANCE COMPANY

CHAS. E. BECKER, PRESIDENT

SPRINGFIELD, ILLINOIS

DISTINGUISHED SERVICE SINCE 1884

One of the 15 Oldest Stock Legal Reserve Life Companies in America

Biddle Files Brief of 142 Pages in S.E.U.A. Case

(CONTINUED FROM PAGE 1)

created by the insurance industry are authorized to fix rates generally without governmental check and 11 states in which bureau-fixed rates may be operative unless disapproved by state authorities.

"The Sherman act would apply to rates fixed in the first of these two groups, inasmuch as a state cannot by law authorize private conduct which the Sherman act forbids," the brief continues, citing the *Parker v. Brown* case again. "Whether rates fixed in the latter group would be unlawful might depend on how they were established. If approved by the state commissioner or independently promulgated by him (as is possible in nine of the 11 states), they might be regarded as the act of the state; if the effective rate were that established by the bureau in the absence of any official approval it would appear to be the act of a private combination and subject to the antitrust law."

The Department of Justice brief contends that application of the Sherman act to fire insurance will not have any dire consequences and that the fire insurance business has not made out such a case for special treatment as to warrant reading a special exception into the law.

Discusses Paul vs. Virginia

In the case of *Paul vs. Virginia*, the brief states, the issue presented to the court was whether the states were to have power to safeguard their citizens through the regulation of foreign fire insurance companies. There was no federal legislation on the subject and the court must have been aware that not a single regulation of business under the commerce power had been enacted by Congress in the 79 years since the Constitution was adopted. The court, according to the brief, was faced with the alternative of approving state regulation or, by striking it down, of leaving no effective check upon the irresponsible activities of insurance companies. The court might better have stated that whether or not insurance was commerce or interstate commerce, state regulation of the subject was to be upheld, the brief asserts.

Individual Insurance Contract

The Department of Justice argued that in the cases following *Paul vs. Virginia* the court showed that the basic reason for the decision was its fear that if insurance were held to be commerce and accordingly subject to the federal power, the effect would be to

exclude state control. All of the cases, according to the Department of Justice, involved the validity of state tax and regulatory legislation and in all of them the court was primarily concerned with maintaining the power of the state to regulate the insurance business. The Department of Justice argued that cases sustaining the validity of state laws are not to be taken as holding that Congress has no power under the commerce clause to enter the same field.

Individual Insurance Contract

In *Paul vs. Virginia*, according to the brief, the court was thinking solely in terms of the individual insurance contract and of the transportation of the policy itself across state lines. The question was whether the contracts were "articles of commerce." But the S.E.U.A. indictment alleges that in performance of the fire insurance contract money was sent across state lines, both by the insured and by the company. When contracts require the interstate movement of property for their performance, the latter is both commerce and interstate commerce and subject to the federal commerce power, the brief contends.

Use of Channels of Commerce

In the S.E.U.A. case the companies are charged with conspiring to monopolize the fire insurance business and specifically with conduct designed to force out of business companies not members of their association. The Department of Justice states that the performance of an insurance contract constitutes commerce even if the contract can be looked at as an isolated local transaction but the business of insurance cannot be regarded as consisting either of isolated or local events. The fire insurance business would not exist in its present magnified form . . . if it were not for the continuous use of channels of interstate commerce for the transmission of instructions, information, papers and money.

The oft repeated remark that "insurance is not commerce," according to the brief, is inconsistent with many other decisions of the Supreme Court, is contrary to the historical meaning of the commerce clause and is not in accord with present understanding.

The brief argues that *Paul vs. Virginia* and the subsequent cases apparently conceived of "commerce" as consisting only of the sale and shipment of tangible commodities. The usage of recent years, the brief states, as well as that of the past, shows that insurance is

a part of the business and hence the commercial world. Except in cases in which it was concerned with the argument that state taxes on and regulations of insurance contravened the commerce clause, the Supreme Court, according to the brief, has referred to insurance in a way which indicates clearly that it is regarded as a part of commerce.

Close Economic Relations

The brief goes on to argue that even if the fire insurance business is not both commerce and interstate commerce, regulation of the business under the commerce clause would still be lawful because of the close economic relations between fire insurance and activities which are unquestionably interstate.

CITES LIFE INSURANCE

The companies in the S.E.U.A. case are charged with entering upon a combination to refuse to furnish insurance to persons who fail to deal with them exclusively and to agree to eliminate all rate competition, the brief states. This is the type of conduct which the Sherman act has been held to forbid when interstate commerce is restrained or monopolized, irrespective of whether the defendants are themselves engaged in such commerce. The brief states that the insurance business is a great national industry in every sense of the word. The life insurance end of the business is mentioned at this point, the statement being made that the premium income of life companies in 1941 amounted to \$4 billion and the total assets were nearly \$33 billion and their operations are carried on almost entirely through the channels of interstate commerce. The court's treatment of the Sherman act as going to the limits of the commerce power is fully supported by the act's legislative history, the brief states.

The S.E.U.A., the brief states, argued that Congress in 1890 intended that the Sherman act not apply to the insurance business and that its action or inaction since then reflects a continuing intention to the same effect. The Department of Justice expresses the belief that Congress did not mean its awareness of the court's decisions prior to 1890 to have the effect of incorporating them by reference into the permanent content of the Sherman act.

The Department of Justice states that it was only the compulsion of the deci-

sions of the Supreme Court, rather than any intention on the part of Congress, which had prevented the antitrust laws from being applied to insurance.

The brief refers to the clause in the 1920 merchant marine act relaxing the restrictions of the anti-trust laws insofar as marine insurance is concerned. This, however, did not constitute a complete exemption from the anti-trust laws. It merely provided that marine underwriters should be assured of the legality of combinations and associations designed to facilitate reinsurance or to extend underwriting activities to foreign countries. It was indicated at that time, the brief states, the Congress did not regard itself as committed to the proposition that the anti-trust laws could not apply to the insurance business. At the time of the passage of the Sherman act, the brief states, there was awareness of the doctrine of the insurance cases and of its probable effect upon the interpretation of the Sherman act, but nothing more. "Indeed," the brief states, "in the political climate of the time any intention to exempt the insurance trust except under the compulsion of judicial decision would have been remarkable."

Court's Color Changes

"Nor does the fact that for many years no anti-trust cases were brought against insurance companies show that *Paul vs. Virginia* was regarded by the Department of Justice as having been incorporated into the Sherman act. The institution of suits would have been futile until there was reason to believe that the court no longer would adhere to the pronouncement that 'insurance is not commerce.'" The barrier to application of the Sherman act to the insurance business has been erected by the judiciary, not the legislative nor the executive, and since it rests upon constitutional doctrine only the judiciary can remove it, the brief states.

ECONOMIC POLICY

The brief states that the S.E.U.A. argues that an exception should be read into the Sherman act for insurance on the theory that free competition among insurance companies is detrimental to the public interest. It is for the legislature, the brief states, not for the judiciary to determine whether competition or combination is the economic policy to be adopted. The S.E.U.A. contends that the uneconomic nature of competition in the fire insurance industry is so axiomatic that fire insurance could not have been intended to be included under the provisions of the Sherman act, the brief states. However, the Department of Justice states that this was not the view of the representatives in 1890 when the Sherman act was passed. It goes on to argue that it would not be unreasonable to subject the fire insurance industry to the anti-trust laws.

Competition in Rates

It is claimed, the brief states, that there is no place for competition in fixing of rates because the premium rate is based on the burning rate or incidence of loss, which is a scientific probability which can be accurately measured. It is argued there can only be one correct rate for a given risk, that the insurers must be allowed to get together to pool their experience in order to determine scientifically the probability of loss and that they should cooperate in inspecting properties for rating purposes. Assuming all this to be true, the Department of Justice states that a cooperative statistical venture truly designed to accomplish only the purpose of providing a scientific basis for the rate structure would not be an unreasonable restraint of trade. Also the rating bureau system "which is sought to be defended through the appeal to science is not engaged in the function of ascertaining the statistical probability of loss."

The Department of Justice states there is a large area in which insurers may cooperate on matters of joint interest which do not extend to the fix-

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ing of rates such as joint action for more adequate supervision of risks, study of hazards and reduction of incendiaryism. Nor is there any prohibition in the Sherman act against exchange of experience by companies and their co-operation in classification and evaluation of this experience and compilation of statistical data therefrom.

"It may be highly desirable for the loss experience of fire insurance companies to be pooled and analyzed in order that the scientific basis of the industry may approach the accuracy of life insurance," the brief states. "A legitimate function of a joint bureau, such as the present rating bureaus, may well be the formation of burning tables, similar to the mortality tables of life insurance. . . . It may also be conceded as desirable to have such joint bureaus inspect and classify risks, both to reduce costs and to get more uniform data for scientific rating of hazards. Classification of the risk . . . would not mean, however, that the price charged for insuring it would necessarily be the same for all companies."

Loss Factor in Rate

The Department of Justice contends that the only factor in the rate that is not subject to the control of the individual company is the amount necessary to pay losses. The most scientific determination of the burning rate would not mean that the expenses of all companies are or should be the same, much less their profits.

In life insurance while most of the companies base their rates on the same tables of mortality they modify these tables in use to conform with their own experience, use different interest rates, and different factors for administrative expense and come out in the end with different rates, the brief declares. The fire insurance rating bureaus, the Department of Justice states, do not determine, on a statistical basis or otherwise the amount necessary to pay losses but fix the final premium charged to the insured. There is a great deal of room for free play between the burning rate and the final premium. The S.E.U.A. is charged not with agreeing on the burning rate but upon the final premium rate.

The Department of Justice contends that even what it terms the legitimate function of using the pooled experience to determine an accurate burning rate is not performed under the present rating bureau system. According to the Department of Justice writers on the subject admit that the actual fixing of rates is based on arbitrary judgment and has no statistical foundation and experience. The data necessary for an objective analysis of loss experience, according to

the brief, are not available and are not being collected. The base rate, according to the brief, represents an arbitrary exercise of judgment. The facts . . . do not show that the price of fire insurance is determined by such scientific methods as to justify removing it from the checks and balances of competitive forces sought to be safeguarded by the Sherman act. The Department of Justice contends that if the companies are required to compete they will not inevitably be driven to cutting rates to individual purchasers in order to get business. The brief states the department stores on the same block compete with each as a matter of business policy but charge their own customers the same prices.

RATE COMPETITION

The argument is made by the opposition, the brief states, that rate competition would favor the more powerful customers who could bargain for lower rates to the detriment of the little fellow. According to the brief, the present system has resulted in establishing just this sort of rate discrimination. The contention is advanced that competition of the companies is incompatible with financial stability. It may be, the Department of Justice stated, that completely unrestricted competition would be harmful to the public but application of the Sherman act to the insurance business does not pose any such black or white problem. The evils of excessive competition could be avoided by lawful means less drastic than the complete elimination of competition in rates. A system for the cooperative establishment of burning rates would remedy many of the evils feared by the S.E.U.A. without running afoul of the anti-trust law. If the fixing of premium rates by the present bureaus were held to be unlawful, rating bureaus might still remain in existence in order to perform the functions of inspecting and evaluating risks and of establishing burning rates—on overall experience basis.

Refers to London Lloyds

Reference is made to London Lloyds where, according to the Department of Justice, brokers move freely from one underwriter to another in order to obtain the best proposition. There is also rate competition in life insurance. The economic problem, according to the brief, is not as to the effect of requiring insurers to operate in a completely free and unrestrained competitive market but as to the application of a prohibition against unreasonable restraints of trade in a setting in which the activities of the company are already to a large extent lawfully confined.

According to the brief, a decision that insurance is commerce within the meaning of the commerce clause would not in itself invalidate the state taxing and regulatory statutes. State laws could not, of course, stand to the extent that they are inconsistent with a valid federal statute. The contention that application of the Sherman act to fire insurance would nullify the state regulatory systems is not a relevant consideration, the Department of Justice states. The department states that the arguments advanced by the S.E.U.A. as to why competition is undesirable and the states statutes upon which they rely, are concerned only with competition in the fixing of rates and none purport to justify or protect the coercive tactics with which the S.E.U.A. companies are charged.

"No one so far as we know has advocated that such boycotts as are alleged in this case directed at uncooperative companies and agents and purchasers who deal with them should be any more legitimate in the insurance industry than any other."

Tries to Establish Title

Though ably written, the government's brief cannot conceal the glaring fact that the whole prosecution is an attempt of the executive branch of the government to legislate on its own hook

rather than letting Congress exercise its prerogative of saying what shall and shall not be regulated. The brief attempts to use the same sort of argument that would be used in establishing title to a piece of land. It goes back into history and tries to piece together successive links to make a sort of chain of title to support its contention that the Sherman act applies to the insurance business, ignoring the fact that each of the government's present contentions has already been turned down by the Supreme Court.

The brief brushes aside the fact that there is more to this case than historical precedents and that as a practical matter there has grown up, based on state legislation and Supreme Court decisions, a complete system of regulation tailor made to suit the needs of the public and the insurance business that has been evolved by trial and error through a long and arduous process. It glosses over the fact that application of the Sherman act, which is a negative type of statute applying to industry generally, would throw this regulatory system badly if not completely out of gear with serious consequences not merely to the insurance companies but to the insuring public.

The Justice Department's attitude on this point is well shown by the heading of section G of its brief: "The insurance industry should be subject to federal regulatory power." Actually the Sherman act is not a regulatory act at all.

Fraizer and Ekern Talk to Nebraska Bar Group

OMAHA, NEB.—Insurance Director Fraizer of Nebraska and Herman L. Ekern, former Wisconsin commissioner and now a Chicago attorney, specializing in insurance law, spoke before the insurance law section of the Nebraska Bar Association at its annual meeting here.

In discussing "Paul vs. Virginia," Mr. Fraizer compared the present efficiency of state regulation with the possibilities of federal overlordship, emphasizing the advantages that accrue to the people from the intimacy of state regulation as compared with federal regulation at long distance. Mr. Fraizer said that the anti-trust exemption bill now before Congress presented one of the few remaining opportunities to halt the movement toward decentralization of government.

Mr. Ekern discussed the question of what insurance proceeds are taxable as a part of the income tax, including taxes on amounts recovered from liability carriers through judgment or settlements and payments made on various types of policies. He also discussed estate, inheritance and gift tax.

It merely prohibits certain types of activity in interstate commerce.

FLASH

TO THE MEN IN THE FIELD

The Permanence of Quality

What is quality life insurance business? It is business that is sold by the employment of high type sales methods. It is business that is sold on an annual cash with application basis. It is business that is sold to good physical and moral risks. In short, it is business that is on the books to stay!

Commonwealth Life has dedicated itself to the production of quality business, believing that a company built on that basis will have no rival for soundness and permanence.

But a quality business building program requires that the men in the field be quality men who are capable of writing quality business in volume. Commonwealth men fit that description fully. That's why Commonwealth's program is showing such splendid progress.

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In one of Washington's fastest growing agencies . . . standing high in Eastern Old Line Company . . . Training in managerial work . . . opportunity to grow . . . profitable opportunity for successful, ambitious underwriter.

Salary and commissions. Inquiries confidential. Tell us all about yourself. Box T-78, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

Gives Promise of Broader Security

(CONTINUED FROM PAGE 2)

to be heard is that of the Polish National Alliance vs. National Labor Relations Board. This case is before the high court on a writ of certiorari seeking review of a decision of the Circuit Court of Appeals (7th circuit) holding in substance that the activities of the companies in carrying on its insurance business constitute interstate commerce, and subject the company to the provisions of the National Labor Regulations Act and the federal regulations in respect thereto.

The second case to be heard by the Supreme Court is the government's appeal in the Southeastern Underwriters' case, in which the federal district court at Atlanta upheld the contention of the underwriters that insurance is not commerce and therefore is exempt from the federal anti-trust acts.

Merger of Life Associations

Outline of a plan proposing to combine and expand the work of the Association of Life Insurance Presidents and the American Life Convention was announced following separate meetings in New York early in December. No action on the recommendation of the two

committees appointed to work out and suggest a plan for unification will be taken until all of the life insurance companies involved have had an opportunity to study the plan.

The committees referred to recommended a unified organization in order to eliminate duplication of some of the work now conducted by both organizations. It was proposed that the American Life Convention be made the overall organization, while most of the functions now performed by the Association of Life Insurance Presidents would be continued under the direction of an enlarged executive committee of the main body. The staffs of the two organizations would be retained under the plan.

The American Institute of Actuaries and the Actuarial Society of America also have under discussion the advisability of a merger, as such membership is common in the majority of cases.

Field Operations

Progress was made during the year on studies of revised compensation plans for agents. Among the studies was one made by the joint committee of the Sales Research Bureau and the National

Association of Life Underwriters. No final report is expected for some time.

The primary objective of a change in compensation plans is to increase and stabilize the earnings of the agent. Lowering of the initial commissions and increasing those of succeeding years is generally favored. There is considerable support for a provision that will reward the agent who builds quality business, also for prohibiting the payment of reversions on the business of departed agents. Of much interest was the liberalization of section 213 of the New York law, the primary purpose of which was to allow the companies an opportunity to work out salaried methods of compensation.

Late in the year, the Joint Committee on Field Cooperation presented a survey containing many valuable suggestions of practical assistance to the agents. The survey consisted of such topics as plans for wartime selling, training activities, recruiting, improving public relations and wartime service to policyholders.

Trends and Trials

Two years of war have passed with economic changes that have resulted in gains for some of the people and losses for others. It is possible now to look ahead and evaluate the influences affecting life insurance.

It is perhaps true that no major business or industry has withstood the impacts of war, science and depression on America's social and economic structure as well as has life insurance. This has happened because of the solid foundation on which life insurance has been built, rather than as the result of good fortune. Throughout its history, it has operated on sound, conservative principles and practices.

The management of life insurance companies has recognized that great changes in American life have taken place and has made adjustments whenever necessary to meet the new conditions. The problems of the future may become more complex, and, if so, management must be prepared to meet them.

There are many signs to indicate that sales of life insurance will continue to be heavy for some time. The people simply believe in life insurance, more so than ever before. Production in 1944 is expected to go up another billion or two. No let-up in sales is foreseeable for the post-war period.

Fulfillment of the hopes of a bright future for life insurance is dependent mainly upon the retention of our established system of free enterprise and our way of life. All those interested in the future of life insurance should be alert to meet and challenge any attempt to undermine the people's liberties and institutions. The situation calls for straight, constructive thinking and strong, courageous leadership and action. It is not too late or too early to act.

German Refugees Can't Collect on Swiss Policies

NEW YORK—Supreme Court Justice David Peck has ruled that German refugees cannot now collect the surrender value of their life insurance policies issued by a life company at Basel, Switzerland, while they resided in Germany. Two women sought \$7,000, the surrender value of the policies they held before fleeing from Germany to the United States in 1935. They conceded that the Nazis had later seized money equal to the surrender value from the company's Berlin office. Justice Peck held that the policies were governed by German law under which the plaintiffs were not entitled to payment, because they are Jews who have taken up residence abroad and stated that "the court is obliged to hold that governing law is no less controlling because it is bad law." The Swiss company wrote many policies in Germany before the war and it is understood that a number of policyholders have or intend to file similar court actions to collect here.

Hobbs Expects His Bill to Get Favorable Action

WASHINGTON—That the new year will see favorable action in Congress on his bill, H R 687, possibly in somewhat modified form, is the belief voiced by Rep. Hobbs of Alabama, to The National Underwriter. The bill bars use of the U. S. mails to any insurance company writing business in any state without complying with the laws of that state. It would impose such penalty upon a company not licensed to do business within certain states.

Just before the holiday recess of Congress, Mr. Hobbs conferred with Rep. Weiss, R., chairman of a House post-office subcommittee to which the bill was referred a number of months ago. Hobbs says Weiss expressed the belief that something might be "worked out."

"I think there is a fair chance for the bill to be favorably reported," said Mr. Hobbs. "It may be modified somewhat, but I think it will approximate what I have in mind maybe, that is to prevent crooked insurance companies from preying upon Negroes and other members of low income groups. Many colored people in Alabama are being mulcted by such companies."

"I estimate that about 30% of the insurance written is no good," continued the Alabama Congressman.

When asked whether he had reference to life, fire, or what kind of insurance, he replied:

"I am thinking primarily of fly-by-night companies. When they get into trouble, they close up and reorganize and do business under another name. Some of them sell so-called 'Gold Seal' policies which are a beautiful lithograph job bearing a wonderful-looking seal. But the buyer is out of luck unless he reads the fine print and acts accordingly. To get any benefit under some of these policies one has to be buried 'northeast by southwest,' with a persimmon in the mouth and a brass pin through the heart."

Mr. Hobbs said members of the Weiss subcommittee have held many conferences on his bill, in executive session, and with interested parties.

"Some insurance people are fighting the bill, others are not," he continued. "It is the same old sixes and sevens. A number of exemptions have been proposed from the penalty my bill provides. If all of these were agreed to, I suppose all insurance people would support the bill."

Reception for Montgomery at Half Century Mark

WASHINGTON — William Montgomery, president of Acacia Mutual Life, celebrated the fiftieth anniversary of his employment as head of that company Sunday, with a reception at the Mayflower hotel here, attended by 1,000 friends connected with official, civic, business and financial circles of the capital.

Other Acacia officers and directors composing the reception line were Brig. Gen. Frank T. Hines, administrator of veterans affairs; James E. Colliflower, Howard Kacy, J. Claude Keiper, Paul B. Cromelin and Samuel E. Mooers.

When Mr. Montgomery took over in 1893, Acacia was a small local benefit society with 600 members and less than \$10,000 assets. Today it has \$120,000,000 assets and \$510,000,000 insurance in force.

K. C. Life Meeting Jan. 26-28

A number of the general agents, managers and supervisors of Kansas City Life will meet Jan. 26-28 in Kansas City to discuss the company's administrator plan and other matters.

The Little Gem gives cash values on over 1,000 ordinary contracts. \$2.50 singly from National Underwriter.

50th Year of Service in Peace and in War!



★The State Life Insurance Company has paid \$142,000,000 to Policyowners and Beneficiaries since organization September 5, 1894 . . . The Company also holds over \$57,000,000 in Assets for their benefit . . . A total of \$13,500,000 is invested in War Bonds and U. S. Government securities . . . Life Insurance and The State Life serve in Peace and in War.



THE STATE LIFE INSURANCE COMPANY
Indianapolis, Indiana

MUTUAL LEGAL RESERVE FOUNDED 1894

Franklin Life Examination Report Shows Big Gains in Four-Year Period

An increase of nearly \$70,000,000 outstanding in a four-year period is reported for Franklin Life in the examination made by Illinois, Colorado and Missouri.

The report is favorable and shows the company to be in a sound financial condition. Capital, surplus, and special funds are reported at \$3,317,650, which is \$17,000 in excess of the company's last published figures. Assets were nearly \$53,000,000. Business in force exceeded \$231,000,000. All bonds owned by the company were current and none was in default as to either principal or interest. The mortality ratio for the three-year period was well under 50.

Capital, surplus and contingency reserves have been expanded nearly 300% in the last four years. New business done this year exceeds \$30,000,000. Administrative expenses were materially reduced. Last year the company earned 3.67% interest on its invested assets. The company has nearly \$18,000,000 in government and other federal guaranteed securities. Net income earned on real estate was 4.5% last year. The bond account during the three-year period was increased approximately 40%. Current additions made in 1943 bring bond ownership to a point exceeding \$24,000,000. At the date of the examination the company had a liquid position (bonds and FHA mortgages) amounting to more than 60% of ledger assets, excluding policy loans. First year cash premium income in 1943 is approximately \$1,500,000, an increase of around 50% over last year. The company has increased its outstanding insurance this year about \$16,000,000.

A four-page mailing piece tells accident insurance prospects **why home is a hazardous place**. Get samples from The A. & H. Bulletins, 420 E. 4th St., Cincinnati 2, Ohio.

BANKERS LIFE OF NEBRASKA

believes that Proper Planning Pays. Consequently its Planned Effort Program, which is offered to all Company agents is backed by cash awards.



SINCE 1887
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Canadian Life Officers Answer C.C.F. Charges on Insurance Profits

TORONTO—A spokesman for the Canadian Life Officers Association has answered a statement on insurance profits made by Lloyd Shaw, national research director of the C.C.F. He said figures quoted by Mr. Shaw "sounded very nice" but that in "mutual companies the policyholders get all the profits and in stock companies as high as 97½% of the profits."

"The average return to shareholders in Canada," he said, "is approximately 3.3%, which in these days cannot be considered very high."

"For generations, life insurance has been the most closely regulated enterprise in the world. It has thrived on initiative, competition and governmental supervision and, incidentally, 4,000,000 Canadians are vitally interested as policyholders."

"In New Zealand, a country often quoted by so-called reformers as 'ideal,' private insurance companies, in competition with the state, secure 80% of the business annually," the spokesman stated.

INQUIRY IS PREDICTED

OTTAWA—M. J. Coldwell, C.C.F. leader here, in commenting upon the statements of Lloyd Shaw, C.C.F. research director, held that life insurance rates "are out of proportion to the services rendered; the companies' accumulated profits are immense; and lapses in insurance mean a tremendous loss to the savings of the public."

"Startling revelations" regarding insurance in Canada will be made by C.C.F., Mr. Coldwell predicted. From data already assembled he said he has come to the conclusion that there should be a thorough inquiry into life insurance. Although he is not decided on the next step, he said he would probably bring the matter up before the house of commons when it meets again next month.

MANNING VIEWS SITUATION

TORONTO—In commenting upon the statements by C.C.F. leaders regarding an impending investigation of life insurance, H. W. Manning, managing director Great-West Life and president Canadian Life Officers Association, pointed out that a "non-official, so-called investigation of the insurance business by one political party cannot be regarded as unprejudiced."

"To announce that an 'investigation' is going to be made, and at the same time to intimate the nature of its findings, gives plain evidence that the findings are preconceived and the so-called 'investigation' farcical as well as political," Mr. Manning stated.

Big Honor Clubs Increase

Membership in the Lincoln National Life sales honor clubs for 1943-44 has increased approximately 2¼ times over the same period of 1942-43. The production club records for the 1943-44 year show the heaviest increase in the top honor groups, with 300% more members in the President's Club and over 350% more members in the Emancipator Club. The club year ends April 30.

A 64% increase in contest winners this year over last was scored in the Dern month contest. W. B. Kibble, of Akron won the trophy for the largest personal paid production. C. M. Ruff of Salt Lake City was runner-up.

Every year the company sponsors a special drive to honor A. L. Dern, vice-president and director of agencies.

Honor Veteran Woman Employee

Twenty-five executives and home office employees of West Coast Life, averaging 26 years of service, gathered at a luncheon to honor Miss Josephine Mason's 35 years with the company. President Francis V. Keesling, who has been

with the company 33 years, presented a suitable gift and reviewed the company's history. Short complimentary talks were made by Gordon Thomson, first vice-president, 33 years; H. J. Stewart, vice-president, 24 years, and Carlos C. Warner, secretary, 27 years. A co-honor guest was George F. Limback, former agency secretary, who retired in 1941 after 35 years service.

Frederick G. Dunham, 65, general counsel of Metropolitan Life, died in a Hackensack, N. J., hospital the day before Christmas. Mr. Dunham was born in Buffalo and was graduated from Cornell in 1892. He graduated from Columbia University law school in 1895. In 1909 he became chief of the liquidation bureau of the New York department and later became attorney for the Life Presidents Association. During the last war he served as a captain in the judge advocate general's department

and in 1927 was named assistant general counsel of Metropolitan Life. He was appointed general counsel in 1936.

Discuss Meeting Objections

DALLAS—A round table discussion on "Meeting Objections" was conducted at a luncheon meeting of the Dallas Association of Accident & Health Underwriters. It was in charge of Ed Sharp, state agent of Fidelity Health & Accident. Emerson Davis, state manager for Inter-Ocean Casualty, is delegate to the National A. & H. Association, meeting in Des Moines with Travis Wallace, president Great American Reserve, as alternate.

Cecil Woods, president of Volunteer State, has been elected first vice-president and Edward E. Brown, Penn Mutual Life, second vice-president of the Chattanooga chamber of commerce.

THE LIFE INSURANCE MAN

The part of the Life Insurance Salesman in the development of the world's outstanding financial institution — Life Insurance — is nothing short of dramatic.

First, we see him in his horse and buggy as he goes from door to door bringing this first message of how through the miracle of life insurance a man's earnings can be projected into the future even beyond the grave.

Then we see him emerge from the horse and buggy days and the struggle against the ignorance and prejudices of the people, into the modern days of travel and understandings of the financial strength and responsibilities of Life Insurance.

Today we see the Life Underwriter standing in full glory representing the one business which has withstood period wars, panics, depressions and prosperity with a record unequalled.

Great Southerners are justly proud of the part they have contributed in the development of life insurance in this great Southern part of our Nation. It has been, and always will be, our sole purpose to make available permanent life insurance protection for those who place their insurance trust in our hands.



GREAT SOUTHERN LIFE INSURANCE COMPANY

E. P. Greenwood, President

Home Office

Houston, Texas

Fight on Inflation Succeeding

(CONTINUED FROM PAGE 1)

and to decrease civilian demand. These anti-inflationary forces, by the close of 1943, were apparently bringing about an adjustment in the supply-demand relationship, and had already effected a leveling off of the price movement. In general, there have been four important corrective factors at work during the past year.

First of all, American business rolled up its sleeves and went into action, and, as a result, the supply of goods and services available to civilians has been much greater than was originally anticipated. Despite dire predictions that "you cannot have both guns and butter," and despite the fact that the production of many civilian products was sharply cut or stopped entirely, nevertheless, on the whole, the physical volume of goods and services available for purchase and consumption by the American public was actually greater in 1943 than in 1939.

Late in 1942 reliable economists were predicting that the volume of goods and services available to meet civilian needs in 1943 would be down to about where it was at the depth of the depression—no more than about \$55 billion in terms of present prices. Actually, however, civilians bought, and presumably consumed in 1943, about \$90 billion worth of goods and services, probably without an important reduction in business inventories. This was a triumph for American productive genius. Not only did our nation surprise the whole world

by our production of war goods, but at the same time we surprised expert commentators in this country by turning out in 1943 many billions of dollars worth more of civilian goods and services than was thought possible shortly before the beginning of the year. Quite obviously, this improvement in the supply situation has had an important anti-inflationary effect.

Wage Ceilings

The second important anti-inflationary factor, wage ceilings, tended to curtail the demand for civilian goods and services. As of certain dates late in 1942, wage ceilings were imposed to keep wages from increasing as rapidly as they would have increased under the unrestrained operation of the law of supply and demand for labor. Of course, many people think that the efforts to check wage increases were not nearly drastic enough; they deplore the continuing success of group, block and other minority interests in bringing about higher incomes for their own members; and they point to the fact that aggregate income payments to all individuals, of which wage payments are the most important item, have increased from \$71 billion in 1939 to \$142 billion in 1943. Of course, the increase of \$71 billion in individual incomes is tremendous. Nevertheless, without the imposition of ceilings, there is little doubt that the increase in wage

payments and, therefore, in aggregate income payments, would have been far greater than it has been. It is impossible to evaluate the full effect of wage stabilization as an anti-inflationary force. It is obvious, however, that if there had been no restraint on wage and salary increases, individual income payments might have risen to a point where their inflationary effect could not have been compensated for by other anti-inflationary factors.

The third anti-inflationary factor, the great increase in personal taxes, has had the effect of still further checking civilian demand for goods and services. Personal taxes increased from \$3 billion in 1939 to \$18 billion in 1943. Personal taxes have prevented the rise in individual incomes from being entirely translated into additional civilian purchasing power. Thus, the increase in these taxes since 1939, amounting to \$15 billion, constitutes a third and important factor tending to correct the maladjustment between civilian supplies and civilian demand.

Tendency of People to Save

The fourth important anti-inflationary force, the tendency of people to save, has still further prevented swollen individual incomes from being translated into actual purchases of goods and services. One of the most significant economic phenomena of the war has been the growth of savings on the part of the public. Quite obviously, when people refrain from spending an important part of their net incomes after taxes, the effect is to curtail the demand for goods and services and therefore to exercise a restraining influence on price rises.

\$34 BILLION SAVINGS

In 1939, the public put money aside into savings of one kind or another only to the amount of about \$6 billion per year. In 1943, however, government authorities estimate the total volume of all forms of savings to be close to \$34 billion. Individuals have bought war bonds in tremendous amounts. They have purchased increasing amounts of life insurance. They have paid off mortgages and other personal debts. And they have built up large cash balances both in currency and bank deposits. A \$28 billion increase in the public's annual rate of savings has prevented an important portion of the public's increased net spendable income from being translated into a demand for goods and services. Thus, it has been a most important anti-inflationary factor.

A study of economic trends in 1943 indicates how these four important anti-inflationary factors have been neutralizing the inflationary force of the government's huge expenditures.

Expenditures Stop Increasing

In the first place, it should be noted that the chief inflationary force itself, the government's expenditures, has apparently stopped increasing. These expenditures are currently running at about the rate of \$93 billion per annum and it is not now expected that the rate will greatly exceed that figure. This, of course, is in line with the thought, generally expressed, that we are now at about the peak of the war effort.

As long as the rate of these expenditures was increasing each year from \$10 billion to \$21 billion to \$58 billion and to \$93 billion, it was to be expected that their inflationary effect would out-run the corrective or anti-inflationary factors, and that the general price level would increase materially. After all, conversion for war and war production had precedence over everything else. And it took time for American business to get its production machine into high gear so as to be able to provide for both war and civilian needs; it took time for the government to place ceilings on wages; it took time for Congress to make successive boosts in tax rates; and it took time for the American public to get into

the habit of saving such vast amounts as it is now saving.

But early in 1943, the government's annual rate of spending reached approximately its peak. The government's tax receipts, however, continued to increase, so that during the latter months of 1943, the government's annual rate of deficit declined sharply. As a result, the government's borrowing operations are now less extensive than was expected about a year ago. Moreover, since the public is saving tremendous sums, the government is, for the moment at least, able to do most, if not all, of its borrowing from non-banking sources, without appreciable effect upon interest rates. Thus, in turn, the government's reliance on inflationary borrowing from banks is being greatly reduced, and the inflationary expansion of our banking and monetary system has been slowed down.

However, the real test of the workings of anti-inflationary factors is probably to be found in what actually happened to the price level. And fortunately there is rather striking evidence that the forces both for and against inflation in 1943 attained a measure of balance: Since about May of 1943, there has been a very distinct tendency for the upward movement of the general price level to flatten out. In May the bureau of labor statistics' index of wholesale commodity prices, a government index, reached 104. In December, it probably averaged about 103, having deviated only about a point in the intervening months. In May, also, the index of the cost of living prepared by the National Industrial Conference Board, a non-government organization, reached 104. Since then, it has moved within a range of a point and a half and in December again stood at approximately the May level. These two important indices suggest that, during the past several months, civilian supplies of goods and services have been in sufficiently close relation to civilian demand to prevent any material increase in the general price level.

Public's Rate of Savings

Whether we will be able to maintain the economic stability that we seem to have arrived at in 1943 depends in very large measure upon the public's rate of savings, which is very largely unpredictable and almost entirely uncontrollable. To some extent, these savings result from the public's inability to buy certain things at all or its inability to buy exactly the type of things that it wants, in the quantities that it wants them. To some extent, they result from the public's innate conservatism, perhaps its fear of higher taxes, or its fear of the war's aftermath. There can be no question, however, that to a very large extent these savings result from the sheer patriotism of the American public who have gladly responded to various appeals both by government officials and by private interests. By and large people have observed price ceilings, rationing, and other regulations; they have bought more savings bonds and other war bonds than they thought they could afford; they have bought large amounts of life insurance, paid off debts, and put money into various savings accounts; they have refrained from spending on every possible occasion.

INCENTIVE

Because the public's rate of savings involves factors of human behavior, it is obviously difficult and dangerous to attempt any prediction as to what the future holds in store. On the one hand, it is possible that the rate of savings could rise to a point where, with the increasing supplies of goods and services available to civilians, the anti-inflationary forces might become greater than the inflationary forces. On the other hand, with the public's accumulated savings growing rapidly and estimated, since the outbreak of war, to be in excess of \$80 billion, it is possible that the incentive to save may be reduced. Moreover,

GLOBE LIFE INSURANCE COMPANY OF ILLINOIS

Soliciting Agents in Illinois
VERY ATTRACTIVE CONTRACTS

COMPLETE LIFE INSURANCE
COVERAGE—
AGES 0-60

Excellent Line of Juvenile Policies
FULL BENEFIT AGE 5

Home Office Address Since 1895

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WM. J. ALEXANDER, PRESIDENT

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In our constant war against Poverty and Destitution in America, the only successful Defense is a Planned Attack.

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have definite Plans to Attack and Defeat these "enemies from within." Attractive Agency Openings in Michigan, Indiana, Illinois, Iowa and Minnesota.

ROCKFORD LIFE INSURANCE COMPANY

Francis L. Brown, President

327 E. State Street

Rockford, Illinois

since a substantial proportion of the public's accumulated savings is relatively liquid, there is an ever-present danger that people may start to spend the savings that they have already amassed.

Thus, while our national economy at the moment may be in reasonable balance, it would probably be too much to hope that this balance will continue over an extended period of time. However, instead of inflation being a foregone conclusion, as some observers assumed at the beginning of 1943 and as many people still believe, there is perhaps an equal possibility, at the close of 1943, that price declines may dominate the next great cyclical movement of our economy. In any case, the extent to which we are to maintain the relatively high degree of economic stability that was apparently reached in 1943 will depend largely upon continued effort towards war and postwar planning, vigilance and intelligence in the exercise of monetary and economic controls, and upon the common sense and good judgment with which the American people face their many problems.

IN U. S. WAR SERVICE

Ray Buvid, Bankers Life of Iowa, Milwaukee, an all-American halfback of 1936 on the Marquette University football team, has been commissioned an ensign in the navy. He will report at Harvard University Jan. 1 to continue study in communications.

Commander Ralph B. Randolph, who prior to entering active service in the navy in 1940, was general agent of Penn Mutual Life in San Diego, visited his former associates at Penn Mutual while on a brief leave in Philadelphia. Comm. Randolph is a graduate of Annapolis. He joined his father, Charles L. Randolph, in 1926 as general agent in San Diego in the agency now conducted by George C. Howard.

Louis J. Oswald, agency assistant at the home office of Penn Mutual Life, has received his commission as second lieutenant in the quartermaster's corps. He had been in the army for a year, and was just finishing up in the infantry officers' training school when he broke a leg on the obstacle course. After being hospitalized, he has returned to active duty and received his shoulder bars.

Ed Overbeck, district agent at Beatrice, Neb., of Metropolitan Life, has been inducted into the army. He will be succeeded by Vern Owen, formerly with the agency, who was recently discharged from the army air corps because of disability.

Capt. Harry J. Pells, Denver general agent of General American Life, has been assigned to duties overseas in the personal affairs division of the air transport command.

Veterans Administration Payments \$30 Million

The Veterans Administration has paid out more than \$30,000,000 on account of disability and death incurred in the present war. Brig. Gen. Hines, administrator of Veteran Affairs, announces.

Of this sum \$8,223,000 had been paid out on account of disability pensions and \$8,443,000 in death pensions up to Nov. 30, 1943; while \$13,392,000 has gone to beneficiaries of National Service Life Insurance policies up to Oct. 31.

As of Nov. 30, disability pension claims totaling 102,444 cases arising out of the present war had been adjudicated, of which 33,742 had been allowed.

N. Y. Ordinary Sales Up in Nov.

New ordinary sales in New York City in November were \$51,071,000 compared to \$35,557,000 the same month of 1942, according to the New York City Life Underwriters Association based on estimates of the Sales Research Bureau.

Industrial Men Made Good Showing on Ordinary in '43

NEW YORK—It is likely when all ordinary production figures for 1943 are in, they will show the industrial companies have had one of their best years, with the outlook for 1944 an encouraging one. The year has been outstanding both in ordinary and weekly premium production per agent and persistency.

It is difficult to predict how the industrial companies' ordinary production will compare with those of the strictly ordinary companies this year. The industrial agent has gradually increased his share of the ordinary volume until last year, when it reached an all time high of 41% of the total new ordinary paid for business. This year, until the pension trust business is segregated from the new paid for ordinary, there will be considerable speculation as to the effect the ordinary companies pension trust business had on ordinary volume. Certainly the pension trust business has been an appreciable factor in the volume of the companies writing this business and it probably constitutes all the way from 5% to 25% of the business of the companies writing it. It must be borne in mind that the pension trust business is produced by a relatively small number of agents and their efforts account for a disproportionate share of the company's production.

Many Pass \$100,000 Mark

The ordinary results achieved by some of the smaller and medium size industrial companies are particularly noteworthy. For years, the \$100,000 mark in ordinary volume was the goal for all debit agents to shoot at and in the companies actively engaged in writing ordinary, the \$100,000 club, whether under that name or another, was "tops" insofar as production went. This year, some consideration will perhaps be given to the question of whether the mark set up as an ordinary production target for ambitious debit agents will not be superseded by a \$125,000 club or a \$150,000 club. When it is realized the industrial man has his weekly premium business to look after as well as all the details and servicing of a hundred or more families' insurance, \$8,000 new ordinary per month is quite an accomplishment. In 1943, however, greater numbers of industrial men went well beyond this mark than ever before in proportion to the number of active men.

The remarkable success the industrial companies have had in the ordinary field is due to a number of factors. The major ones are the realization by industrial men that it is a perfectly natural and logical procedure for him to service the entire needs of the family, the growing importance of the wage earner as a market for ordinary, the impetus given ordinary sales to wage earners by the amendments to the social security act which enabled the average wage earner to plan an adequate life insurance program, and the fact the industrial agent realized that in ordinary lay a vast, practically undeveloped field which could not be serviced economically by the ordinary agent.

Hit by Manpower Problem

Up to the last few years, the industrial agent customarily sold the prospect his first life insurance policy which was paid on a weekly premium basis. As the assured grew older and acquired new responsibilities and became better established financially, he tended to lose contact with his industrial agent as his ordinary needs were serviced by the ordinary agent. However, larger numbers of industrial men are now prepared to service all life insurance needs from a small weekly premium policy all the way up to a complicated business or tax case.

Industrial companies were hit harder by the manpower situation than the exclusively ordinary companies and it is

Pacific Mutual Has Schneider Guardian Indianapolis Head

Production of more than \$50,000,000 in new paid business during 1943, the greatest since 1935, is announced by Asa V. Call, president Pacific Mutual Life. The increase over 1942 is in excess of 30%.

December new business totaling \$7,000,000 is the largest aggregate for any month since 1930. The southern California area has been particularly active throughout 1943 with the seven agencies there reporting over \$8,500,000 in new production, representing a gain of 150%.

Settle Ind. Receivership Issue

INDIANAPOLIS — The Fidelity Trust Company of Indianapolis, appointed by the superior court here, will be the ancillary receiver in this state for the Fidelity Assurance of West Virginia. R. T. James, state auditor, had also been appointed receiver by the Anderson, Ind., circuit court but the Indiana supreme court has held that the first action for the appointment of a receiver had been brought in the superior court here so it has jurisdiction. The state auditor has \$150,000 in securities of Fidelity Assurance which were deposited with him.

James A. Emmert, attorney-general, urges the contract holders in Indiana not to sell or discount them. A 50% dividend is expected to be paid soon.

a tribute to the efficiency and flexibility of the industrial system that it was able to make the necessary adjustments through consolidation of debits, less frequent premium payments, and induction of women agents by many companies that the results are as noteworthy as they are, accomplished despite gasoline and tire restrictions.

Taking everything into consideration, it seems probable that industrial companies were at least able to maintain the same proportion of new ordinary that they did last year and the business produced entirely by ordinary companies was affected appreciably by the large volume of pension trust business produced by a small number of men.

Clarence J. Schneider has been appointed Indianapolis manager of Guardian Life. He joined Guardian in Indianapolis in September, 1931, after being engaged in the advertising business. A consistent producer, he has regularly qualified for the Leader's and President's Clubs. More recently Mr. Schneider has been agency supervisor.

Clancy Connell Is Elected Secretary of N.A.L.U.

(CONTINUED FROM PAGE 1)

his capacity as general agent, association official, or Hamilton alumnus.

Ballots for the mail vote for trustee to succeed Mr. Connell, will probably be sent out to the trustees within the next week. The trustees have been invited to send in nominations for the post. Trustees have 20 days from receipt of their ballots to return them to national headquarters.

Vote Counting Procedure

In conducting a mail vote Max Hoffman, N. A. L. U. managing director, is very meticulous in counting the votes. When the ballots are returned by the trustees he removes them from the envelopes, placing them in a file unfolded without comparing them with the postmark. Then in order to check the response so that laggards can be queried he checks off the name of the voter, using the postmark for identification. As the ballots are unsigned there is no record where they came from when they are counted. Mail elections are ratified at the next trustees' meeting.

Branch Rickey, president of the Brooklyn Dodgers, will speak Jan. 13 at a meeting of the New York City Life Underwriters Association.

Group life insurance sales for the first time in history have been running ahead of sales of small weekly payment policies. The total of group insurance in force is approaching the total of industrial insurance.

Are You This Man?

- A long-established progressive legal-reserve Company with a substantial volume of business in the area offers the right man, who must be experienced in handling Group Life, Accident and Health, and Hospitalization Insurance, a permanent and well-rewarded future as

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for Detroit and the State of Michigan

The Supervisor selected should be able to establish contacts with Insurance Brokers of metropolitan areas.

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YOU ARE THIS MAN

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EDITORIAL COMMENT

Social Security Legislation

President M. A. Linton of Provident Mutual in his address at the Life Presidents Association meeting on social security took a rather optimistic view, stating that public sentiment has veered toward a more conservative attitude as to how far the federal government should go in enlarging the act. He believes that it should be extended to farmers, domestics, employees of non-profit organizations and those in the public service. He takes the position that the government should be responsible for indigent people, taking care of them in whatever exigencies they are found, but dealing with them on a subsistence basis.

He called attention to the fact that Sir William Beveridge in his report in Great Britain is not very definite in his recommendations for the inclusion of disability benefits. That would increase the cost materially. It would open the way to imposition and fraud. For example, temporary benefits as have been suggested might be a very dangerous feature in the development of sound social security legislation in this country.

In all the elements of social security, Mr. Linton held that the subsistence level should be the foundation on which to build. In this way the natural incentive would not be thwarted, as the majority of people would not be satisfied with what is obtained through

social security legislation, but will be impelled to provide a supplemental program.

Mr. Linton, like many others, believes that in many charitable enterprises the county or municipality should be the dominant figure in passing on charity, their officials having local knowledge and thus a big advantage in dealing with different cases.

Even though favoring some extension of the present social security act, impartial thinkers believe that there should be no drastic changes until peace is restored, the amount of the public debt is known and the extent of taxes established. In other words, the citizen deserves to know just what his position is, just what social security is costing and what will be the future cost if an enlargement of the act is made.

One of the most insidious features in dealing with legislation of this kind because it has a human appeal is the political element. Unfortunately, politics enters into legislation of this character because politicians take advantage of the situation and outline a program that has a human interest appeal. Pressure groups also can be counted on to do their share of damage. They work through aspiring politicians. There is no subject that opens so great an opportunity for fantastic, impractical thinking as social security because basically it deals with human needs.

The War Theme in Advertising

It is only necessary to leaf through the magazines to appreciate the good taste and commendable restraint of life insurance advertisers in their use of the war theme. Some rather prominent corporations seem to have gone hog-wild in weaving the war into their advertising copy. There are all too frequent examples of advertisements that would lead the uncritical reader to think that So-and-so's gadgets are the chief factor in the Allies' ascendancy.

Even worse are those that wallow in sentimental raptures in "tribute" to our fighting forces. Advertising is, and should be designed to advance the advertiser's interests, either directly through promoting his business or indirectly through building good-will for the line of business in which he is engaged. The feelings of Americans toward their fighting men, and particularly those who are relatives or friends, are deep and real. Anything that looks like flag-waving to advance corporate interests is likely to

produce a severe kick-back among the reading public. The only way to avoid this reaction is to remain well within the boundaries of good taste, regardless of the temptations there may be to exploit wartime sentiment for all it is worth.

Another type of approach from which life insurance advertising has been happily free is that which puts words into the mouths of service men in an effort to propagandize some objective dear to the advertiser's heart. The fact that such objectives may also be dear to the hearts of many other good Americans hardly excuses the presumption of ascribing opinions to soldiers, sailors or marines who are in no position to buy advertising space to state their own views on the issues.

A soldier for example, is depicted as saying that he is fighting for the American system of free enterprise—certainly a laudable objective from a life insurance point of view. Perhaps it is even a fact that a Gallup poll would show that men

in the armed forces are overwhelmingly in favor of the free enterprise system and that it is one of the conscious objectives for which they are fighting. Unfortunately there is no such evidence available and the use of advertising which ascribes such sentiments—or any other on which there might be less than universal agreement—tends to place too good a weapon in the hands of the radical opposition.

Sometimes advertisers fall in unwillingly with a trend because they feel that unless they do they will seem old-fashioned and lacking in enterprise and

punch. They may feel that conservatism and good taste are not appreciated and that the only way to get an effective return for one's advertising dollar is to use copy that screams louder and claims more than one's competitors. But life insurance advertising need have no fear that it is losing out by remaining conservative and decorous. Such a tone not only reflects more accurately the soundness and conservatism of the institution but in the long run is more effective in impressing the thinking type of reader who in the aggregate is the logical market for what life companies have to sell.

PERSONAL SIDE OF THE BUSINESS

Charles G. Barratt, assistant secretary and assistant treasurer of Midland Mutual Life, will retire

Jan. 1. He will be 78 next May. Mr. Barratt was the first employee, starting early in 1906 before the home office opened for business July 2. Of the original officers, he is the only survivor. He has two sons, one of whom, Major Russell Barratt, is serving in the south Pacific.



C. G. Barratt

E. O. Burget, president Peoples Life of Frankfort, Ind., who broke his right leg near the hip Nov. 13, is still confined to the Clinton County Hospital at Frankfort. He will be away, however, from the office for a number of weeks. He is recovering as well as can be expected.

The family of Bert A. Hedges of Wichita, Kansas manager of Business Men's Assurance, held a Christmas reunion under wartime difficulties. Being prevented from going home by shortened vacations at the University of Illinois, their three daughters, all students there, met Mr. and Mrs. Hedges in Chicago, from where they all talked long distance with their brother Bob, now with the army in Hawaii. Bob formerly was associated with his father in Wichita.

John A. Hill of Blosser & Hill, Toledo, O., general agents of Aetna Life, has been appointed chairman of the Red Cross war fund there.

George W. Smith, president of New England Mutual, gave a luncheon in the directors' dining room at the home office and presented the company's silver service medal to seven employees who this year reached a quarter-century of continuous service with New England Mutual. These are: J. J. Curley, library; Charlotte J. Noyes, auditing; Edith M. Jepson, policy loan; Evelyn Eldridge, renewal service; Mildred A. Moore, renewal service; T. F. Gaffney, mail; J. J. O'Connell, control.

William L. Vogler, who has been elected vice-president of American National of Galveston, was born in Lodgepole, Neb., in 1898. He attended high school at Waukegan, Ill., and Northwestern University. His first job was with the Leeta Manufacturing Co. and

then he became credit manager for the Grayson Wearing Apparel Co. in Denver.

In 1923 Mr. Vogler entered the life insurance business with Metropolitan Life in Denver. Later he was transferred to Salt Lake City and in 1929 became manager there for the old Continental Life of Missouri. In 1933 he became branch manager at Salt Lake, in charge of the branch that has supervision over Idaho, Utah and Wyoming. He has made an excellent record in that branch and he goes from Salt Lake City to the home office.

L. A. Cerf, Sr., and Mrs. Cerf of Montclair, N. J., have announced the marriage of their daughter, Katherine S. Cerf, at Cairo, Egypt, to Lieut.-Com. J. T. Harding. Mrs. Harding has been working with the Red Cross in the Near East and her husband is an attaché of the American legation at Cairo. Mrs. Harding is a sister of L. A. Cerf, Jr., general agent, and A. G. H. Cerf of State Mutual, New York. Mr. Cerf, Sr., is a retired general agent of Mutual Benefit.

Brenton S. Brown, manager in British Columbia for Crown Life, is celebrating 41 years of active participation in life insurance. He started in Vancouver with Equitable Life. His territory included Vancouver Island, where he traveled by horse and buggy. Three times in his career he wrote \$1,000,000 business in a year.

Chester M. Thompson will celebrate his 20th anniversary as cashier of the Newark, N. J., agency of Connecticut Mutual Life on Jan. 1. He is a founder of the Life Agency Cashiers Association of Newark.

Mrs. Winifred Ralston Ford, who resides at 5 Copley street, Winchester, Mass., has rejoined the Mutual Benefit Life in its Boston office at 35 Congress street. Winifred Ralston, as she was known, was connected with the Bruce Parsons agency of the Mutual Benefit in Chicago, being Mr. Parsons' "right hand man." She entered the Mutual Benefit when A. A. Drew was Chicago general agent and was universally popular with the organization. Mrs. Ralston was married in January, 1943, to Fred W. Ford and at that time left Chicago to reside in the east.

David Stewart, Eau Claire, Wis., agency director New York Life, has been appointed an honorary recruiter for the marine corps in his district.

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CHICAGO 4, ILL.—175 W. Jackson Blvd., Tel. Wabash 2704. O. E. Schwartz, W. A. Scanlon, and A. S. Cutler, Associate Managers. J. W. Atkinson, Advertising Manager.

CINCINNATI 2, OHIO—420 E. Fourth St. Tel. Parkway 2140. L. H. Martin, Abner

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MINNEAPOLIS 2, MINN.—500 Northwestern Bank Bldg., Tel. Geneva 1200. R. W. Landstrom, Resident Manager.

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PHILADELPHIA 9, PA.—123 S. Broad Street, Room 1127. Tel. Pennypacker 3706. E. H. Fredrikson, Resident Mgr.

SAN FRANCISCO 4, CAL.—507-8-9 Flatiron Bldg., Tel. EXbrook 3054. F. W. Bland, Resident Manager. Miss A. V. Bowyer, Pacific Coast Editor.



LIFE INSURANCE EDITION
PUBLISHED EVERY FRIDAY

DEATHS

M. R. Orr, Leader in Philadelphia, Dies

Millard R. Orr, general agent of Massachusetts Mutual in Philadelphia, since 1934, died Dec. 23, after an attack



MILLARD R. ORR

of the "flu" followed by pneumonia, at the age of 49. He is survived by a widow, two children, father and mother, and brother Clifford Orr, general agent in Philadelphia for National Life and trustee of the National Association of Life Underwriters.

Prior to Mr. Orr's appointment as general agent, he served as an agent since 1922 for Massachusetts Mutual. He was past president of the Massachusetts Mutual General Agents Association, Philadelphia C. L. U. chapter and Philadelphia Life Underwriters Association; was highly instrumental in securing the N. A. L. U. convention in 1940 for Philadelphia and was general chairman of the committee in charge of that convention. Mr. Orr was a graduate of the Wharton School of Commerce.

Mr. Orr was born in Scranton, Pa., Aug. 5, 1894.

Because he was responsible for bringing the N. A. L. U. convention to Philadelphia in 1940 he was awarded the Philadelphia Underwriters Association President's cup award in 1920.

He was co-chairman in the life insurance business for the United War Chest drives in 1941, 1942 and 1943.

Former President of Central Life, Ia., Dies

Dr. Thomas Collins Denny, 56, formerly president of Central Life of Des Moines, died in Des Moines of a heart

ailment. He had been taken to the hospital a week ago and his condition grew steadily worse, becoming unconscious during the last few days. He was a director of Central Life at the time of his death, having retired as president in 1932. He became medical examiner for Central Life in 1912.

Dr. Denny served on the executive committee of the Life Agency Officers Association and as chairman of the Sales Research Bureau.

Dr. Denny was prominent in Des Moines civic life and during recent years had been devoting most of his time to civic work and to looking after his interest in the Insurance Exchange building of which he was part owner.

Dr. Denny was born in 1887 at Maitland, Mo. He completed his medical course at Jefferson medical school, Philadelphia, in 1912.

Thomas D. Mullins, general agent at Pittsburgh for Home Life of Philadelphia, died at the home of his son, Dr. William L. Mullins, in Pittsburgh, Pa. He was 83 years of age and had been active in business until 10 months ago.

Mr. Mullins was born in County Cork, Ireland. Prior to his departure for the United States in 1909 he was engaged in mercantile pursuits and was an active leader in the Irish Land League movement. Following his arrival in Pittsburgh he was connected for sometime with the Carnegie Steel Company. In 1913, without any previous experience, he entered life insurance salesmanship. In 1914, Mr. Mullins was appointed general agent at Pittsburgh for Home Life. For many years his sales efforts were devoted entirely to ordinary and the upbuilding of his general agency. When Home Life opened an industrial branch in Pittsburgh, he was placed in charge, and again demonstrated his ability by attaining field leadership.

Henry B. Morgan, one of the few policyholders who lived to the maturity of an ordinary life policy and who received a check for the face value of a \$1,000 policy from Penn Mutual Life's Peoria, Ill., agency on his 96th birthday last September, died there. He was the only Penn Mutual policyholder born in 1847, the year the company was founded. He also had a policy with National Life of Vermont for \$2,500 which would have matured in February, 1944.

Andrew J. Wall, 50, who had been with Jefferson National Life and Secured Fire & Marine in Indianapolis, died. He was rehabilitation service officer of the Military Order of Purple Heart.

Charles E. Bell, 88, for 40 years associated with John Hancock Mutual as a traveling auditor and adjuster, died at his home in Columbus, O.



"I know you'll get along very well. I've gotten along with scores of your predecessors . . . and some of them were pretty mean fellows."

NEWS OF THE COMPANIES

Franklin Life Is Increasing Capital to \$1,650,000

A capital increase of \$550,000 has been voted by the directors of Franklin Life. After giving effect to the revision, which will be submitted to the stockholders shortly after Jan. 1, the capital will be \$1,650,000, an increase of 50%. The increase will be effected by a transfer from surplus funds. In the last four years the capital and surplus funds have been substantially expanded. At the close of last year they represented an increase of more than 200% over Jan. 1, 1940.

President Becker's report to the

stockholders states that this action is being taken to keep the capital in proper relation to the rapid growth of the business. Since Jan. 1, 1940, business in force has increased \$70,000,000 and there has been an asset expansion of approximately \$20,000,000. President Becker pointed out that the stock dividend distribution parallels the action of numerous other companies and banking institutions in recent weeks.

Franklin Life is now making plans to celebrate its 60th anniversary next March. It anticipates at that time having at least \$250,000,000 life insurance in force, and assets of \$60,000,000.

Occidental Doubles Capital

LOS ANGELES—Directors of Occidental Life of California have voted to

A Dependable Record



DALLWIG Policy & Commission RECORD

Over 18 years the standard Policy Register for life underwriters of all companies.

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North American Reassurance Co.

99 John Street Lawrence M. Cathles, Pres. New York

increase the capital stock from \$1,000,000 to \$2,000,000. The entire stock of the company is owned by the Transamerica Corporation, one of the A. P. Giannini interests.

Postal Union Life Has Entirely New Officers

LOS ANGELES—A complete new set of officers has been selected by Postal Union Life.

President is Maytor McKinley, head of the Utter-McKinley Mortuaries, who recently acquired a controlling interest in the company; executive vice-president and general manager, W. L. Vernon; secretary-treasurer, Herbert Hess; manager of accident and health department, O. H. Weidy; manager of investments, N. Seal; counsel, G. M. Gannon; directors include Messrs. McKinley and Vernon, Irving M. Walker, a Los Angeles insurance attorney, and T. Kirk Hill. One place on the board will be filled at the next meeting.

The company plans to go on a 3% basis some time the coming year.

Liberty Nat'l Men Buy Big Burial Insurer

A number of officers and stockholders of Liberty National Life of Birmingham have purchased controlling interest in Brown-Service Insurance Co., burial concern of Birmingham. President Frank P. Samford and Vice-president Frank E. Spain of Liberty National and associates purchased the stock of Rufus M. Lackey, president of Brown-Service, and associates. Brown-Service was organized in the early 1930's and owns and controls several mortuaries. It is one of the largest burial insurers in the country.

As of Dec. 31, 1942, Brown-Service had \$10,540,482 assets; cash income, \$6,585,207; claims paid \$1,113,203; disbursements \$3,969,432; insurance written \$40,620,269; in force \$115,832,658.

Canada Life Appointments

Canada Life has appointed J. M. Goodwin supervisor of the renewal department. C. C. Boyle is now supervisor of the dividend and loan accounting department. The work of the group department has been broken down into two sections with F. B. Clarke as supervisor of the sales and service section and F. Ivor Guest supervisor of the group administration department. G. A. Cooke has been appointed mathematician.

Rehearing for Prudence Mutual

LOS ANGELES—The California supreme court, which recently upheld the superior court here in placing Prudence Mutual Life, Chapter 9 company, in the hands of Commissioner Garrison as conservator, has granted a motion to the officers for a rehearing.

Republic National Bonus

Republic National Life of Dallas distributed to employees a Christmas bonus of 2% of annual salaries, as has been the custom in the past.

Union Mutual Has Party

More than 150 employees of Union Mutual Life were guests at the annual Christmas party at which gifts were distributed to all by Santa. A buffet luncheon, skits and carol singing followed.

Sun Life of Canada has declared a dividend of \$3.25 on its outstanding stock for the quarter ending Dec. 31.

Home office employees of Conservative Life of Indiana have received their usual Christmas bonus, bonuses ranging from half a month pay to \$10 cash for newer employees.

Write more accident business by subscribing to The Accident & Health Review, \$2 a year, 175 W. Jackson Blvd., Chicago.

Canada Life Makes Rate Revision

Canada Life Jan. 1 will increase premium rates on all but non-participating ordinary life and income and term policies; namely, pension and retirement income bond, participating and non-participating term policies, and the extra premiums on family income and continuous monthly income plans.

No change is to be made in non-forfeiture values except on the capital return plan where the values will be increased to correspond with the increased cash option.

A page of rates from the Little Gem Life Chart based on the new premium schedule is shown here-with.

The prime factor in the changes is the decline of interest earning rates.

Following are some examples of new premiums per \$1,000 as they will be in effect in the United States:

Annual Prem. Plans—	Age at Issue—	
with Profits	20 35 50	
Ordinary life	\$17.40 \$25.65 \$44.50	
Life 20 payments	27.09 35.35 52.00	
Endowment 20 years	47.69 49.39 58.25	
Endow. at age 65	20.52 33.33 75.14	
20 years capital return plan	41.80 48.70	

Annual Prem. Plans—	Age at Issue—	
without Profits	20 35 50	
Life 20 payments	25.00 33.34 48.95	
Endowment 20 years	45.16 46.40 54.11	

Single Prem. Plans—	Age at Issue—	
with Profits	20 35 50	
Life	410.99 530.57 692.94	
Endow. 20 years	716.87 724.73 766.75	

Cost of Annuity of \$10 Monthly

Immediate Annuities

Male

Age at Issue—

50 60 70

Payments to cease on

death

With cash refund

guarantee

Female

Payments to cease on

death

With cash refund

guarantee

Male

Age at Issue—

50 60 70

Payments to cease on

death

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Payments to cease on

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Male

Age at Issue—

50 60 70

Payments to cease on

the straight canvassing method. In 1911 he was promoted to superintendent, being the first superintendent of the Dover district. The district was developed into one of the Home Life's largest and most successful ones, leading the entire field for many consecutive years in ordinary production and doing a fine industrial business.

Devoe Midwest Life Field Superintendent



IVAN W. DEVOE

Ivan W. Devoe has been appointed field superintendent for the Midwest Life of Lincoln, Neb.

In his new assignment Mr. Devoe will assume charge of the agency expansion program in Nebraska and all bordering states.

Mr. Devoe has had mature experience in the agency field and enjoys a wide acquaintance throughout the middlewest.

Since 1939 he has owned and operated the Ivan Devoe general insurance agency of Lincoln.

COAST

Departmental Committee Named

SAN FRANCISCO — Commissioner Garrison has appointed a special committee in the California department charged with the responsibility of studying every operation to make recommendations looking toward streamlining operations and producing greater efficiency.

Those appointed are H. A. Benjamin, assistant commissioner, chairman; Harold B. Haas, assistant commissioner, and Frank Fullenwider, administrative assistant in the San Francisco office; Wyckoff Westover, administrative assistant, and J. D. Thomas, chief documents examiner of the Los Angeles office.

Employees of the department have been requested to aid the committee by making suggestions based on individual experiences.

Los Angeles Claim Men Elect

LOS ANGELES—The Life & Accident Claim Managers Association of Los Angeles has elected these officers: President, Eugene French, Fireman's Fund Indemnity; vice-president, Clyde H. Burgardt, Occidental Life; secretary, Howard L. Harris, Equitable Society; treasurer, Larry G. Burford, Pacific Mutual Life.

State Mutual Men On Coast

George A. White, president State Mutual Life, and Robert H. Denny, superintendent of agencies, are on a Pacific coast trip, conferring with Henry G. Drabin, San Francisco general agent, Roy Ray Roberts, general agent in Los

Jeff. Standard in Ill.; Names Allen Chicago Manager

Jefferson Standard Life has been licensed in Illinois and is opening an office at Chicago.

The Chicago office will be located at 1072-74 Board of Trade building. George Allen has been appointed manager. He has been with the company since 1935 and was district manager at Harlingen, Tex., until 1940. He was then appointed manager in Huntington, W. Va.

Jefferson Standard is now actively operating in 27 states, the District of Columbia and Puerto Rico.

Sabin and Duncanson Are Appointed by N. Y. Agency

C. W. Sabin and Earle Y. Duncanson have been appointed officials in the Goulden, Cook & Gudeon agency of Connecticut General Life in New York City. This is one of the largest in New York, and is the city's oldest life insurance brokerage organization established in

1904, representing and being a leading agency of Connecticut General continuously throughout that period. P. Walter Cook and Walter T. Gudeon are the directing heads.

Mr. Sabin has been with Connecticut General since 1933. He becomes manager of the agency. He was graduated from the University of Michigan in 1927 and engaged in sales work with Eastman Kodak Company before entering life insurance. He has been associated with Connecticut General's 225 Broadway office in New York City as agent, brokerage manager and for the last few years assistant manager.

Mr. Duncanson has been associated with Goulden, Cook & Gudeon since 1925, and advances to associate general agent. After graduation from Tufts College, he worked in the Connecticut General home office before going to New York. He has been active in building brokerage business, particularly in accident and health.

Names Thomason at Amarillo

Reserve Loan Life has appointed T. D. Thomason as district manager with headquarters in the Oliver Eakle building, Amarillo, Tex. Mr. Thomas started with Jefferson Standard in Texas and

later became field supervisor for Reliance Life in the middle west. More recently he has been operating in California.

Mrs. Jessie L. Word has been appointed general agent for Victoria, Tex.

Rainey Takes New Branch of Great-West Life

Great West Life announces agency expansion in Indiana with the opening of a new branch office in Indianapolis.



JAMES L. RAINEY

James L. Rainey has been appointed branch manager. He has been actively engaged in life insurance work for more than 20 years and has had wide experience in selling life and accident and health insurance and in agency organization and supervision.

Mr. Rainey formerly was connected with the old Missouri State Life at the head office in charge of the accident and health department. He became nationally known as an A. & H. educator. Mr. Rainey trained many accident men, wrote sales talks on A. & H. insurance and also was outstandingly successful as an A. & H. salesman.

He became manager of Guardian Life at Indianapolis about 12 years ago and has held that post ever since until taking his new post.

Moritz Assistant General Agent

George Moritz, with Aetna Life in Grand Rapids, Mich., for nine years, has been appointed assistant general agent for western Michigan under Ernest W. Nelson, new general agent there. Mr. Moritz is a past president of the Grand Rapids Life Underwriters Association.

Kibbie Assistant Iowa Director

George W. Kibbie has been appointed state director in Iowa by the State Farm companies. He has been district agent for the nine counties with headquarters in Davenport.

Elmer in Field Work

Roy T. Elmer, agency organizer of the Central branch of New York Life in Chicago, is entering field work with the same branch. He has been connected with the company in Chicago for 20 years.

Jeanes Joins Ehlen

Guarantee Mutual Life's general agency in Chicago in the Insurance Exchange building in charge of Otto A. Jeanes is being closed and Mr. Jeanes is going with the office of Frank Ehlen at One North LaSalle street as associate general agent.

Hockett Denver General Agent

Leroy R. Hockett of Chicago has been appointed general agent in Denver by Central Life of Des Moines. He has been an assistant superintendent of Prudential in Chicago for 10 years.

War Causes Change in Peoria, Ill.

F. A. Schnell, Peoria, Ill., general agent of Penn Mutual Life, has been commissioned a lieutenant in the Navy and ordered to Quonset, R. I., naval station for training. Harry G. Walter, assistant general agent in the Stumes & Loeb agency of Penn Mutual in Chicago, has been named manager at Peoria during Lieutenant Schnell's absence. The agency will remain in his name.



H. G. WALTER

Mr. Schnell entered life insurance in 1932 on graduation from University of Illinois. He soon became district manager of Penn Mutual at Peoria and in 1937 was named general agent. He has had an outstanding record, building an aggressive full-time staff in Peoria and with branches in Rockford, Champaign, Springfield and Decatur. Under his direction the Peoria agency competed for honors with the larger city agencies, consistently ranking among the first seven of Penn Mutual in new business production.

He is past president Illinois and Peoria Life Underwriters Associations, past president General Agents & Managers Association of Peoria and also past president of the Penn Mutual Agency Association. He won civic honors in Peoria as well.

Wallis Boileau, Jr., agency vice-president, was in Peoria three days this week installing Mr. Walter and was host Tuesday evening to the General Agents & Managers Association at a dinner honoring Messrs. Schnell & Walter. Details of the arrangement were announced by Mr. Boileau at an agency conference Wednesday and Thursday at which wives of agents also were present. Lieut. Schnell was host at luncheon Thursday for 30 Peoria business men, and Messrs. Walter and Boileau.

It was announced Wayne S. Porter, Champaign, assistant general agent, and Arthur F. Priebe, Rockford, associate general agent, in 1943 finished among the first 10 countrywide in production.

Angeles, and agencies in the Pacific Northwest.



FREDERICK A. SCHNELL

Mr. Boileau announced the agency finished seventh in Penn Mutual.

Walter's Experience

Manager Walter will be assisted by Messrs. Porter and Priebe, and also by K. L. Keil, Springfield district manager, and F. H. Newell, Decatur district manager.

Mr. Walter has been assistant general agent of Stumes & Loeb for 15 years and in the business somewhat longer, formerly with Columbian National. He joined Stumes & Loeb in 1925 as brokerage manager, developing much business. As assistant general agent he has had charge of training and agents.

He was a founder of the Life Agency Supervisors of Chicago and its first president; one of the earlier C.L.U. men (1932), and is past-president of Chicago chapter of C.L.U. With W. N. Hiller of the same agency he has written and produced several life insurance skits.

Arthur H. Johnson, office manager who has assisted Mr. Walter in agency work, becomes supervisor of Stumes & Loeb. He has been with the agency 16 years. Formerly he was with the A. B. Dick Company. Miss Anne Donohue becomes office manager. She has been cashier for several years and with the agency 18 years.

De Barry Joins Woody Agency of Equitable

Cletus D. De Barry, prominent in the insurance business for over 20 years, has returned to the business after an absence of one year and will be associated with the Warren V. Woody



C. D. DE BARRY

agency of Equitable Society in Chicago. He was field director of Catholic Order of Foresters.

Prior to his retirement, Mr. De Barry was president and treasurer of C. D. De Barry & Associates and had been in the insurance business since 1921, during which period he directed, conserved, and sold more than \$250,000,000 of insurance.

During his insurance career he has been general agent for Reliance Life and Lincoln National Life. He regularly attended meetings of insurance commissioners, National Fraternal Congress and American Life Convention.

Costs \$7.761 to Rear Child

The cost of rearing a child to age 18 is \$7,761 for the average American family which has an income of \$2,500 a year, according to a study by Metropolitan Life. Clothing and shelter cost \$3,357 and food \$2,271.

FRATERNALS

N.F.C. Editors Are Trying New Plan

Editors of the National Fraternal Congress Press Section, beginning with issues this month, are going over one another's publications with fine combs each month. The new section officers elected at the Cleveland annual meeting decided to give each section member opportunity to select an "article of the month," monthly, from among all magazines issued by societies represented in the section.

There is only one restriction—the article must relate to fraternalism or life insurance. It can be a picture, cartoon, cartoon strip or feature story. Ballots will be sent to Mrs. Mary Baird, secretary-treasurer of the section, who will announce the winner each month.

December, 1943, issues were the first to be balloted upon. Considerable interest has been shown in the new plan which the new officers headed by Harold Allen, publicity director of Fidelity Life, hope is but the beginning of an even more extensive program along these lines.

Larger Group of Readers

As of Dec. 31, 1942, combined membership of fraternal magazines, edited by Press Section members, totaled 4,352,909.

"This figure forcibly portrays the tremendous responsibility these editors have, especially when so many of them are incorporating vital war facts in their magazines," Mr. Allen stated this week. "The Press Section plays an important role in acquainting the public with the many benefits of fraternalism and the part it plays in our country today, both economically and socially."

"With this in mind, a questionnaire has been sent each member of the Press Section in which the questions all pertained to public relations of the fraternal system in general. Answers are now being compiled, and the results of this questionnaire will be released shortly. All members of the Press Section, by the very nature of their work are deeply concerned over the public relations problems now facing the fraternal world."

The Rev. W. A. Dostal, editor "Cath-

olic Workman," Fort Atkinson, Ia., has just joined the section.

Fidelity District Managers to Hold Conference

Fidelity Life of Fulton, Ill., will hold a two-day sales conference at the home office Jan. 5-6 at which approximately 40 district managers from 10 states will be in attendance. President Walter C. Below and Thomas O. Hertzberg, general sales manager, will be in charge of the sessions, which will include a review of the year's progress and plans for 1944.

New sales aids will be introduced as well as several new life contracts. Production awards will be made to members of the Fifty, Century and President's Clubs. A round table discussion of field problems will conclude the conference.

Ben Hur Life Happenings

G. H. Blackford, cashier of the Ben Hur Life home office is bereaved by the death of his wife. One of her brothers, W. D. Kline, is associated with the home office. James R. Hood of the auditing department has entered the service and reported to Ft. Pierce, Fla. He was commissioned assistant paymaster in naval reserve with the rank of ensign. Mr. Hood has been with the auditing department since early in 1934. A daughter of Actuary Walter M. Curtis of the home office, Miss Helen Mathews Curtis, recently was married to T. N. Mathers of Chicago and moved to Evanston, Ill.

Aid Association Increase

Production of Aid Association for Lutherans in the first 11 months this year totaled over \$23,003,000, increase of \$2,123,259. November production was \$2,235,885, a gain of \$588,382 over November, 1942. The E. H. Neumann general agency led and A. H. Blankenburg of the Mayerhoff agency was individual leader with \$643,750 for the 11 months.

N.F.C. Proceedings Sent

Copies of the proceedings of the Cleveland annual convention of the National Fraternal Congress are being sent this week to member societies. A number of societies indicated a desire for additional copies and an extra supply was printed, obtainable at \$2 per copy, Manager Foster F. Farrell stated. Proceedings of the Presidents Section were printed separately but are being sent with the N.F.C. proceedings. The Medical Section also is printing its proceedings and will mail copies separately.

Ben Hur's 50th Year

Ben Hur Life of Crawfordsville, Ind., March 4 next year will celebrate its 50th year in the business. A special program is being arranged to commemorate the birthday.

Louis M. Killmeyer, supreme secretary of Catholic Knights of St. George, died shortly before Christmas.

Carl Renolds, of the Renolds Preserves Co., Sturgeon Bay, Wis., was elected a director of National Mutual Benefit.

A. R. Talbot, past president of Modern Woodmen, was presented by his home Masonic lodge at Lincoln, Neb., a 50-year membership badge.

Farm Income Soars

Sales possibilities in the farm market are indicated by U. S. Department of Agriculture figures which show that the net income of farm operators has increased 184% from 1939 to 1943. Net farm income of \$9,500,000,000 in 1942 increased to \$12,500,000,000 in 1943. Gross farm income is estimated at \$22,700,000,000 in 1943.

At a recent Chicago meeting Dr. V. N. Valgren, Department of Agriculture economist, pointed out that a cow worth \$32.20 in 1934 was worth \$88.80 in 1942 and \$118 in 1943.

Milwaukee Insurance Group Acts on 48-Hour Issue

MILWAUKEE—A meeting of insurance employers of all types was held Thursday afternoon in the auditorium of Northwestern Mutual Life to discuss the problem of the 48-hour week which has been decreed for Milwaukee effective Jan. 16. On Dec. 22, a small group of representatives of all branches of insurance met to discuss the effect of the 48-hour week order. At the larger meeting the question was discussed of a presentation to be made in behalf of the insurance industry to the area director of the War Manpower Commission. It is desired that the WMC director be apprised of the employment facts of the insurance business so that he may act in an informed way on individual requests for exemption.

A small committee was nominated to meet with the WMC director. A questionnaire form was sent out in advance, identical to that which was prepared by the Chicago committee which is acting on the same problem. This questionnaire asks for the total number of full time employees, divided as between male and female on Jan. 1, 1942, and on any day in December, 1943, that may be selected. Also the number of part time employees now working, the present work week, the number of vacancies in regular positions, estimated number of married women who because of home duties would be exempt from working a longer work week; estimated number of employees who could be released on a work week of 40 hours, 42, 44 and 48. Then the employer is asked to state what work week he believes best adapted to the needs of his business and finally he is asked to state in what manner he can contribute to relieve the manpower shortage.

Questionnaires when completed were sent to William Ahrens, personnel director of Northwestern Mutual. James H. Daggett, vice-president of Old Line Life, was chairman of the Thursday afternoon meeting. Mr. Daggett and Edmund Fitzgerald, vice-president of Northwestern Mutual, attended the meeting of 250 insurance employers in Chicago last week to get the benefit of the experience that had been developed in that city.

Much Confusion Is Found

Insurance companies find that there is considerable confusion in the minds of their own employees and agents as to just what the issue over insurance is and what the big noise is about starting with the Atlanta indictment. There is found to be a lack of correct information on part of many of those in the business so that they are unable to explain to those outside what the position of insurance is. Many people have the notion that the Bailey-Van Nuys bill is an attempt to create an insurance monopoly. They cannot understand why such a bill was necessary. The Senate judiciary committee hearings have tended also to becloud the public mind particularly since Senator O'Mahoney of Wyoming began his effort to delay proceedings.

Some companies are taking steps to inform their own people about the situation. They believe that it is useless to try to educate and enlighten the public before they start at home and train their own folks.

1944 The Road Ahead

In the past two years of war the United Nations have come far in their march toward Victory. As the New Year dawns, a Rainbow of Hope is emblazoned across the far horizon on the Road Ahead.

May we and our allies, united in the spirit of true fraternity, have the strength and courage to soon reach this glorious goal of Victory.

WOODMEN OF THE WORLD Life Insurance Society OMAHA, NEBRASKA

Farrar Newberry, President

W. C. Braden, Secretary

WE WRITE
LEGAL RESERVE LIFE INSURANCE
FOR MEN, WOMEN, AND CHILDREN

A Policy to Fit the Need—
A Rate to Fit the Purse

INQUIRIES FROM PROSPECTIVE AGENTS INVITED

STANDARD LIFE ASSOCIATION

HOME OFFICE

FOUNDED IN 1880

LAWRENCE, KANSAS

BENEFITS PAID
\$48,009,485.93

SUPREME FOREST
WOODMEN CIRCLE

DORA ALEXANDER TALLEY
President

HOME OFFICE OMAHA, NEBR.

Sales Ideas and Suggestions

Sales Helps Plus Work Program Get Results

CLEVELAND—Methods that have developed business in 1943 were presented before the Cleveland Life Underwriters Association by four successful Cleveland agents. Robert E. Bond, Sun Life of Canada, explained his pencil and pad method. He is able to lead the prospect from the known to the unknown through the visual presentation method, building up a picture of accumulated savings through life insurance. He keeps his talks entirely personal, discussing the specific needs of the prospect. The bill of life, with its three periods of learning, earning and yearning (unless old age support has been built up), is employed in his sales presentation. Frequently Mr. Bond starts with social security benefits then leads up to life insurance.

Referred Prospecting Effective

Mr. Bond finds referred prospecting effective as people, when they find their friend has purchased, often indicate their own desires without any special prompting. Mr. Bond closes a good many cases on the first interview, and feels that with limited time, gas economy, etc., it is good business to do so. He carries many personal reference letters, makes each sale in his own mind before approaching the prospect, and knows pretty well what he is going to say.

John A. Doyle, Northwestern Mutual, pictured the tremendous market now existing for insurance, and the need for acquiring good selling habits. He feels that sales opportunities are rich because life insurance represents the best possible investment. In fact, he said, it is virtually impossible to create an estate today without insurance. The increased sale of life insurance with a depleted force of agents is a direct evidence of the sales opportunities. People, he said, are making money and they have the means to buy.

Hard to Change Habits

Mr. Doyle emphasized that it takes more than mere resolutions to attain success, and that habits do not change overnight. His own extensive records showing office and field schedules, number of calls, number of people talked to, qualified prospects, etc., indicate back through the years that his habits have not changed much, and ratios remain pretty constant. In fact, he made about the same number of calls years ago as he does today. He spends about 18 hours a week in the office and 20 in the field, and he endeavors to make every call count. This is accomplished by careful selection of prospects with good leads to each, and by knowing a great deal about them before the call is made. He tries to be interesting and concise in his interviews, and to have something very definite to bring up in his second and third calls. He uses the phone continually for service calls and maintaining contacts, and gets definite appointments with busy people. The more the phone is used within reason, the easier the business comes.

Sales Helps Used

Bishop McDonald, Massachusetts Mutual, told how he made use of every possible sales aid in obtaining and approaching his prospects. Direct mail is of considerable help. He sends out a standardized pre-approach letter a few days before he calls and finds that it is an excellent springboard to the interview. Phone calls are likewise excellent in paving the way. Confidence and prestige come from the ability to enter an

office and say that he has an appointment with the prospect. During the interview he employs charts and other visual aids.

The five best sources of prospects, according to Mr. McDonald are: (1) Business and professional women who have steady work with good incomes and who usually have little insurance. (2) Men over 38 years of age who are making good money today and have no army worries, with the best opportunity to plan for their future right now. (3) 4-F men who can be interested in rated policies or endowment plans. (4) Doctors and dentists who are extremely busy with a bigger income than ever before. (5) Men of means who find that insurance is indispensable for the payment of taxes and conservation of their estates. (6) Nurses who can be approached at odd hours when the agent has no other appointments.

Confidence Is Paramount

Cornelius G. Scheid, New York Life, pointed out that confidence is paramount. "There is only one thing that

keeps a man from success and that is laziness—mental or physical. You harvest exactly what you sow. The insurance agent must understand life's law and he will get a tremendous thrill and enthusiasm out of doing his daily job."

When a prospect at the dotted line stage suggests that he would like to wait before deciding to take out insurance, "ask him just what he will gain by waiting," Mr. Scheid advised. "Propose to him that he put down on one side of a paper the things he will gain by waiting and on the other side the things he will gain by signing up. This is often effective. When he wants to talk with a relative or banker for advice, show him how assinine it would be for a prospective customer in his own field to ask for advice from someone not familiar with the line he sells. Certainly no one should know more about insurance than the man who sells it."

Mr. Scheid recommends the use of a folding 72-inch rule which can well represent 72 years as the life span. Lengths of this rule can be folded up to indicate the years of life which have already passed. Show the prospect that each year he waits he is taking from the period of opportunity. Slant the ruler up against a prospective object and show him how the road to security gets steeper and harder as life's ruler gets shorter.

manager Metropolitan, firms with from 40 to 99 employees, and Mrs. Stephen K. Mahon, chairman of the women's division, will sell bonds in plants with fewer than 40 employees. Willard V. Swartzbaugh is coordinator of the payroll allotment division.

Topeka, Kan.—Prizes were awarded at the ladies night party to Arch Horton, H. K. Stewart, Paul Allen, Gerald Hayes and Charles Bray of the membership committee, who had carried on a vigorous campaign. Patricia Solander of the Kansas state highway patrol spoke.

Detroit—Plans for participation in the fourth war bond drive were announced by Harry Waha, New York Life, chairman of the speakers' bureau. He reported that 12 speakers addressed 137 meetings and more than 45,000 persons in the Community Chest drive just concluded.

A farewell gift was presented to S. Alberta Stutsman, Massachusetts Mutual Life, who leaves shortly for officers' candidate school of the marine corps. Best wishes for rapid recuperation were wired to President L. E. Malone, Sun Life, who is in California.

Association offices have been moved to 622 Book Cadillac Hotel, in charge of Mrs. Mary Stafford, executive secretary.

Centerville, Ill.—Wives were guests at a Christmas party in Salem. Reports were given on the state meeting in Peoria by President W. B. Buckley of the state association and President A. P. Fellingner and H. E. Fagin, secretary-treasurer.

Jacksonville, Ill.—A testimonial dinner was given for George Souza who has completed 25 years with Prudential. President Glenn E. Schramm was in charge. E. E. Neff, as program chairman, presented Mr. Souza with a gift on behalf of the group. A. H. Hoffman, Prudential manager at Springfield, spoke in appreciation of Mr. Souza.

Sheboygan, Wis.—A study of current questions relative to the war and the peace to follow was presented by Joseph W. Wilkus, city attorney.

Springfield, Mass.—Holgar Johnson, president of the Institute of Life Insurance, addressed a joint meeting with the Springfield Ad Club.

Raleigh, N. C.—J. B. Lawrence has been advanced to president to succeed Harry Randall, resigned.

AGENCY MANAGEMENT

Women, Farmers Factors in Bigger Production Today

T. H. Spindle, educational director of Amicable Life, addressed the San Antonio Life Managers Club on "The Time Is Now." He said conditions for selling life insurance are the most favorable he has known in his 18 years in business. He cited the greater production the past year with a smaller agency force, repayment of loans, higher percentages of conservation, reduction in installment payments and payments on home mortgages.

Among the markets which are more open to life insurance than in previous years he mentioned farmers and women. He told of two agents working in an agricultural district, where defense plants are absent, who wrote 329 applications for \$529,000 in 11 months. He said that the basic insurance needs of women are the same as those of men, and that 29% of the applications received by his company in 1942 were from women.

Harold J. Cummings, vice-president of Minnesota Mutual Life, who has just completed a tour of the west coast, was a guest. He went on to Houston, Dallas, Fort Worth and Amarillo, where he held one-day conferences for agents.

New Managers Present Panel in Richmond

RICHMOND—Six recently appointed general agents and managers spoke in a panel discussion with Spiller Hicks, Provident Mutual, as chairman before the Richmond Life Agency Managers Association. Robert P. Procter, Connecticut Mutual, discussed "Training Office Personnel"; Clifton H. Robertson, Prudential, "Selective Prospecting"; James Blades, Metropolitan, "Our Definite Work Plan"; Vernon Chakley, Reliance Life, "Definite Recruiting with a 'Must' Objective"; William R. Gardner, John Hancock, Salvaging Business in 1943"; George King, Atlantic Life, "Service to the Beneficiary," and Jesse A. Hood, Union Central, closed with an inspirational talk.

Herbert Vaden, Guardian Life, re-

ported on members in the armed forces.

Herbert R. Hill, president, proposed a resolution to aid local life underwriters associations with their programs.

Bulletin for Mich. Managers

The Michigan Association of Life Underwriters is now issuing a bulletin for managers and general agents, in charge of H. B. Thompson, secretary-counsel. The December issue contained a summary of salary stabilization and its effect, of the Michigan department's position on licensing agents in war plants and a recent opinion of the attorney-general of Michigan on county pension plans.

The San Francisco General Agents & Managers Association held its Christmas party with entertainment provided by J. H. Rowe, Bankers Life, vice-president.

ASSOCIATIONS

Jamison Talk to Feature Oklahoma Congress

John H. Jamison, manager of field training for Northwestern Mutual Life, will be a key speaker at the annual sales congress of the Oklahoma Association of Life Underwriters, Jan. 28 at the Skirvin Hotel, Oklahoma City. J. Hawley Wilson, Massachusetts Mutual, speakers committee chairman has announced. The general theme will be "Wartime Selling."

Organize Toledo Bond Drive

TOLEDO, O.—The Toledo Association of Life Underwriters and the Toledo Association of Insurance Agents have combined forces, under the supervision of Harry N. Wieting, Jr., Toledo manager Prudential, in planning the work of the industrial division in the fourth war loan campaign in Lucas county. Three committees have been organized. Caleb L. York, manager Equitable Society, heads the group which will solicit plants employing more than 100 persons; Albert L. Hosier,

SALES MEETS

Two 1944 General Agents Conferences Planned

Connecticut Mutual will hold two regional conferences of its general agents in 1944. The first, for general agents in eastern United States, will be held Jan. 18-20 at the Westchester Country Club, Rye, N. Y., and a meeting for western general agents will be held Jan. 25-27, at the Edgewater Beach Hotel, Chicago.

Plans for 1944 and also for the post-war period will be presented. Specific attention will be given to recruiting now and after the war. Another topic will be training and development of agents.

V. B. Coffin, vice-president and superintendent of agencies, will announce a program for rehabilitation of men returning from service and for agents on leave of absence in war work. Included in the plans is a home office refresher course for men discharged from the service, the first one to take place in February.

Ralston Fetes Agents

Approximately 40 representatives of National Life & Accident in Peoria, Ill., district attended the annual Christmas party given by Manager R. G. Ralston. A. G. Hopkins, supervisor of the northern territory, was the principal speaker. Agents attended from Peoria,

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With Franklin Life, Mr. Campbell will develop a brokerage and personal business on a special Franklin policy known as the President's Protective Investment Plan, which provides for return of all premiums paid in the event of death during 20 years plus the face amount of the policy; the return of premiums to the insured in the event of survival to specified age.

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Write **Accident & Health Bulletins**, 420 E. Fourth St., Cincinnati, for plans for increasing sales.

Nelson Named Brokerage Supervisor by Edwards

William J. Nelson, Jr., who has been doing brokerage contact work for the R. S. Edwards general agency of Aetna Life in Chicago for several years, has been appointed brokerage supervisor. He has been and will continue to be assistant to Herman A. Borchers, assistant general agent and manager of the brokerage department.

Mr. Nelson has been with the agency since August, 1939. He started in the office doing estate control work and then after a time went through the home office school. Upon return to Chicago he was appointed solicitor in the brokerage department, contacting general insurance producers as well as seeking surplus lines business from other life men. Mr. Nelson attended the University of Arizona and also De Pauw University in Indiana.

AGENCY NEWS

Fete Massa at 25-Year Mark

Arthur R. Massa, general agent of the William T. Earls agency of Connecticut Mutual Life, Cincinnati, was honored with a luncheon in recognition of his 25 years' service with the company. Ralph N. Love, agency manager, presided.

Lieut. William T. Earls, peacetime head of the agency and now with the navy department at Annapolis, who enjoyed a Christmas leave, was a co-guest.

Mr. Massa has been a member of the Million Dollar Round Table. He is a past president of the Good Samaritan Hospital Cooperators Board. He is the father of nine children, two of whom are in the navy.

Love General Agency Gain

The Central Illinois Agency of New England Mutual Life at Peoria, James R. Love, general agent, finished 1943 with a gain of 44% in paid for business over the previous year. This is the second largest year in new business this company has enjoyed from downstate Illinois in its long history.

Refresher Course in Milwaukee

The Wisconsin district of Equitable Society will hold a refresher course and meeting Jan. 17-21 in Milwaukee. John Quin, home office instructor, will be in charge.

Sharp declines in emergency calls for the cash values of life insurance policies caused payments to beneficiaries to represent a larger share of total benefits in 1943 than in many years.

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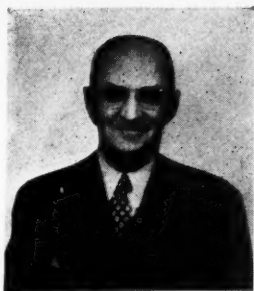
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President



E. E. (Ernie) Hess, Resident Manager, 560 Trust Company of Georgia Building, Atlanta 3. Residence, 2165 Steward Avenue.

Born in Nebraska; taken as a baby to Chicago; educated Chicago and New York; finished at Northwestern U. School of Commerce. Went with Aetna in Chicago; became Assistant Examiner. Became Special Agent in Illinois for Continental Fire of N. Y. Became State Agent for Employers Fire. With Insurance Producers Bulletin 3 years; came with National Underwriter Co. in 1930. Married, one daughter. Nice sense of humor.

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All of these gentlemen have been subscribers for more than 3 years; from 3-25 years.

Akers, F. M. Prudential—Atlanta, Ga.
Alexander, Ray S. Volunteer State—Chattanooga
Allen, Luther E. Northwestern Mutual—Atlanta, Ga.
Ambrose, Wm. L. Equitable of N. Y.—Knoxville
Ames, Arch S. Prudential—Charlotte, N. C.
Anderson, Ralph M. Peninsular—Jacksonville
Andrews, C. H. Durham Life—Raleigh, N. C.
Archibald, A. E. Volunteer State—Chattanooga
Baker, F. Ruggles. Prudential—Asheville
Bargerson, L. M. Penn Mutual—Birmingham
Bates, W. T. C. New York Life—Orangeburg, S. C.
Beach, Thos. N. Union, Central—Birmingham
Beaty, W. T. Connecticut Mutual—Raleigh, N. C.
Biddle, Chas. P. Equitable of N. Y.—Knoxville
Blair, E. H. Bankers Life—Nashville
Blanton, B. Scott. Phoenix Mutual—Charlotte, N. C.
Brooke, S. L. Security Life & Trust—Winston-Salem
Brooks, M. E. Union Central—Memphis
Brown, E. E. Penn Mutual—Chattanooga
Brown, R. Sclater. Equitable of Iowa—Nashville
Buckner, W. T. New York Life—Memphis
Butterworth, Linwood. New England Mutual—Atlanta
Campbell, R. W. New York Life—Knoxville
Carson & Dobbins. Aetna Life—Atlanta, Ga.
Carter, G. W. Prudential—Jacksonville
Cherry, L. W. Mutual Benefit—Nashville
Chisolm, Fred S. New England Mutual—Birmingham
Corey, J. N. Sun Life of Canada—Birmingham
Cowan, David M. Sun Life of Canada—Greensboro
Crain, Hurd J. Penn Mutual—Atlanta, Ga.
Currie, Chas. J. Mutual Life—Atlanta, Ga.
Davis, Harry I. New England Mutual—Atlanta
Dilts, F. B. Home Security—Durham
Donald, Bruce A. Jefferson Standard—Memphis
Doty, A. H. Mutual Benefit—Chattanooga
Drake, Frank W. Mass. Mutual—Birmingham
Eichhorn, John J. Home Life—Greensboro, N. C.
Fitts, Frank. Pacific Mutual—Tuscaloosa
Foreman, R. L. Mutual Benefit—Atlanta, Ga.
Foust, Henry P. State Mutual—Greensboro, N. C.
Fowlkes, Walter B. Provident Mutual—Birmingham
Fulmer, Olin F. Mutual Life—Savannah, Ga.
Gamble, Robt. M. John Hancock—Memphis, Tenn.
Garner, Geston. State Mutual—Rome, Georgia
Garner, N. L. Occidental—High Point, N. C.
Grant, Otis P. Life & Casualty—Nashville
Green, Holcombe T. Guardian Life—Atlanta

Gros, Jeff. State Mutual—Memphis
Haas & Dodd. National of Vermont—Atlanta
Hale, W. Stanton. Fidelity Mutual—Atlanta, Ga.
Haley, Alvin T. Mass. Mutual—Greensboro
Hammer, John M. Mass. Mutual—Tampa, Fla.
Harris, John T., Jr. New York Life—Nashville
Hassell, Chas. M. Union Central—Charlotte
Hilliard, R. A. Reliance Life—Asheville
Holmes, John W. Aetna Life—Birmingham
Hopkins, C. Allen. New England Mutual—Montgomery
Horner, B. B. Sun Life of Canada—Nashville
Horton, Otis R. Mutual Life—Raleigh, N. C.
House, Thos. O'C. Northwest. Mut.—Knoxville, Tenn.
Howerton, P. F. Conn. Mutual—Charlotte, N. C.
Howland, F. W. Mass. Mutual—Memphis, Tenn.
Hutton, J. L. Jefferson Standard—Nashville
Jenks, Emory L. Pacific Mutual—Atlanta, Ga.
Jones, Carroll H. Fidelity Mutual—Columbia, S. C.
Jones, L. L. New York Life—Birmingham, Ala.
Joseph, Stuart & Schadt. N. W. Mut.—Memphis, Tenn.
Kelley, J. F., Jr. Gulf Life—Atlanta, Ga.
Knight & Earnshaw. New Eng. Mutual—Bradenton
Knox, J. Hugh. Mutual Life—Nashville
Leu, F. R. Life & Casualty—Nashville
Liberty Life. Actuarial Dept.—Greenville, S. C.
Liberty Life. Agency Department—Greenville, S. C.
Lipscomb, J. H. N. E. Mutual—Jacksonville
Ljung, Karl, Jr. Jefferson Standard—Greensboro
Lowry Mills Agency. Gulf Life—Miami, Florida
Mann, Chas. I. Aetna Life—Jacksonville
Marx & Bendorf. Travelers—Memphis, Tenn.
McAfee, S. K. Mutual Life—Charlotte, N. C.
McCrory, W. W. John Hancock—Jacksonville
McGinnis, E. C. New England Mutual—Raleigh
McMillan, Jos. L. Mutual Life—Memphis
Minier, Roy S. New York Life—Atlanta, Ga.
Montgomery, Joe C. Mass. Mutual—Mobile, Ala.
Morrison & Schippert. Mass. Mutual—St. Petersburg
Mulligan, A. P. Metropolitan—Greensboro
Niehaus, M. S. Gulf Life—Jacksonville
O'Callaghan, J. E. Prudential—Memphis
Odom, B. H. Phoenix Mutual—Chattanooga
Pasco, John. Equitable of N. Y.—Raleigh
Piper, K. B. Prov. Life & Accident—Chattanooga
Pittman, W. I. John Hancock—Birmingham
Proctor, E. T. Northwestern Mutual—Nashville
Prov. Life & Acc. Home Office Agency—Chattanooga

Puckett, Walter, Jr. Protective Life—Birmingham
Ragsdale, G. Y. Union Central—Raleigh, N. C.
Reliance Life. Asheville, N. C.
Reliance Life. Atlanta, Ga.
Reliance Life. Birmingham, Ala.
Reliance Life. Jacksonville, Fla.
Reliance Life. Memphis, Tenn.
Rhodes, L. W. Interstate Life & Acc.—Chattanooga
Richardson, Chas. D. New England Mut.—Memphis
Ridgeway, E. J. New York Life—Columbia, S. C.
Roddey, Oliver F. Penn Mutual—Charlotte
Rosborough, Angus B. Mass. Mutual—Jacksonville
Russell, T. Richard. Aetna Life—Memphis, Tenn.
Schenck, Paul W. Provident Mutual—Greensboro
Slate, T. G. Imperial Life—Fayetteville
Smith, Bealey. Conn. Mutual—Atlanta, Ga.
State Capital Life. Raleigh, N. C.
Stephenson, G. F. Mutual Benefit—Athens, Ga.
Stines, E. Z. Jefferson Standard—Asheville
Stoker, E. J. O. Henry Ins. Agcy.—Greensboro
Stover, E. F. Phoenix Mutual—Atlanta
Stuart, A. C. Pilot Life—Winston-Salem
Sumerel, S. W. Aetna Life—Clinton, S. C.
Sykes, Chas. L. Mutual Benefit—Miami
Talley & Pratt. Penn Mutual—Knoxville
Taylor, J. R. Mutual Life—New Bern, N. C.
Tenison, Smith, Jr. Prudential—Nashville, Tenn.
Thompson, Karl. Mutual Benefit—Columbia, S. C.
Travelers Ins. Co. Atlanta, Ga.
Travelers Ins. Co. Charlotte, N. C.
Travelers Ins. Co. Nashville, Tenn.
Tupper, Jas. S. Mass. Mutual—Nashville
Umstead, J. W., Jr. Jefferson Standard—Durham
University of Alabama. School of Com. & Bus. Adm.
Upshaw, E. N. Prudential—Savannah, Ga.
Upshaw & Richardson. Aetna Life—Raleigh
Waddell, J. M. Pilot Life—Greensboro, N. C.
Waldrop, Hugh D. Pilot Life—Greensboro, N. C.
Watson, H. W. P. New York Life—Montgomery
Webb, C. R. Pilot Life—Shelby, N. C.
Webster, J. Burton. Penn Mutual—Jacksonville
Welman, Clyde R. National of Vermont—Memphis
White, Henry W., Jr. Mass. Mutual—Knoxville
Willcox, J. D. Mutual Life of N. Y.—Birmingham
Willett, Lawrence. N. W. Mutual—Atlanta, Ga.
Wilson, Harvey H. New England Mutual—Savannah
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E. E. Besser general agency Lincoln National Life, Chicago.—Written business in 1943 increased 108% and paid for business gained 62%. October and December were biggest months in the year.

B. J. Stumm general agency Northwestern Mutual, Aurora, Ill.—Production this year far ahead of 1942 with only one-half as many men; \$364,000 written business in one week alone in December.

Write Accident & Health Bulletins, 420 E. Fourth St., Cincinnati, for plans for increasing sales.

Nelson Named Brokerage Supervisor by Edwards

William J. Nelson, Jr., who has been doing brokerage contact work for the



R. S. Edwards general agency of Aetna Life in Chicago for several years, has been appointed brokerage supervisor. He has been and will continue to be assistant to Herman A. Borchers, assistant general agent and manager of the brokerage department. Mr. Nelson has been with the agency since August, 1939. He started in the office doing estate control work and then after a time went through the home office school. Upon return to Chicago he was appointed solicitor in the brokerage department, contacting general insurance producers as well as seeking surplus lines business from other life men. Mr. Nelson attended the University of Arizona and also De Pauw University in Indiana.

AGENCY NEWS

Fete Massa at 25-Year Mark

Arthur R. Massa, general agent of the William T. Earls agency of Connecticut Mutual Life, Cincinnati, was honored with a luncheon in recognition of his 25 years' service with the company. Ralph N. Love, agency manager, presided.

Lieut. William T. Earls, peacetime head of the agency and now with the navy department at Annapolis, who enjoyed a Christmas leave, was a guest.

Mr. Massa has been a member of the Million Dollar Round Table. He is a past president of the Good Samaritan Hospital Cooperators Board. He is the father of nine children, two of whom are in the navy.

Love General Agency Gain

The Central Illinois Agency of New England Mutual Life at Peoria, James R. Love, general agent, finished 1943 with a gain of 44% in paid for business over the previous year. This is the second largest year in new business this company has enjoyed from downstate Illinois in its long history.

Refresher Course in Milwaukee

The Wisconsin district of Equitable Society will hold a refresher course and meeting Jan. 17-21 in Milwaukee. John Quin, home office instructor, will be in charge.

Sharp declines in emergency calls for the cash values of life insurance policies caused payments to beneficiaries to represent a larger share of total benefits in 1943 than in many years.

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E. E. (Ernie) Hess, Resident Manager, 560 Trust Company of Georgia Building, Atlanta 3. Residence, 2165 Steward Avenue. Born in Nebraska; taken as a baby to Chicago; educated Chicago and New York; finished at Northwestern U. School of Commerce. Went with Aetna in Chicago; became Assistant Examiner. Became Special Agent in Illinois for Continental Fire of N. Y. Became State Agent for Employers Fire. With Insurance Producers Bulletin 3 years; came with National Underwriter Co. in 1930. Married, one daughter. Nice sense of humor.

← This man covers this territory →

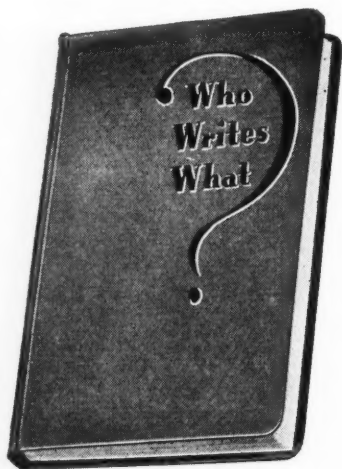
for The Diamond Life Bulletins. He is a good man in good territory. If you are now a subscriber to D. L. B., he will help you get the most use from your Service; if you aren't a subscriber—let him show you why you should be.



All of these gentlemen have been subscribers for more than 3 years; from 3-25 years.

Akers, F. M. Prudential—Atlanta, Ga.	Gros, Jeff State Mutual—Memphis	Puckett, Walter, Jr. Protective Life—Birmingham
Alexander, Ray S. Volunteer State—Chattanooga	Haas & Dodd. National of Vermont—Atlanta	Ragsdale, G. Y. Union Central—Raleigh, N. C.
Allen, Luther E. Northwestern Mutual—Atlanta, Ga.	Hale, W. Stanton. Fidelity Mutual—Atlanta, Ga.	Reliance Life Asheville, N. C.
Ambrose, Wm. L. Equitable of N. Y.—Knoxville	Haley, Alvin T. Mass. Mutual—Greensboro	Reliance Life Atlanta, Ga.
Ames, Arch S. Prudential—Charlotte, N. C.	Hammer, John M. Mass. Mutual—Tampa, Fla.	Reliance Life Birmingham, Ala.
Anderson, Ralph M. Peninsular—Jacksonville	Harris, John T., Jr. New York Life—Nashville	Reliance Life Jacksonville, Fla.
Andrews, C. H. Durham Life—Raleigh, N. C.	Hassell, Chas. M. Union Central—Charlotte	Reliance Life Memphis, Tenn.
Archibald, A. E. Volunteer State—Chattanooga	Hilliard, R. A. Reliance Life—Asheville	Rhodes, L. W. Interstate Life & Acc.—Chattanooga
Baker, F. Ruggles. Prudential—Asheville	Holmes, John W. Aetna Life—Birmingham	Richardson, Chas. D. New England Mut.—Memphis
Bargerson, L. M. Penn Mutual—Birmingham	Hopkins, C. Allen. New England Mutual—Montgomery	Ridgeway, E. J. New York Life—Columbia, S. C.
Bates, W. T. C. New York Life—Orangeburg, S. C.	Horner, B. B. Sun Life of Canada—Nashville	Roddey, Oliver F. Penn Mutual—Charlotte
Beach, Thos. N. Union Central—Birmingham	Horton, Otis R. Mutual Life—Raleigh, N. C.	Rosborough, Angus B. Mass. Mutual—Jacksonville
Beaty, W. T. Connecticut Mutual—Raleigh, N. C.	House, Thos. O'C. Northwest. Mut.—Knoxville, Tenn.	Russell, T. Richard. Aetna Life—Memphis, Tenn.
Biddle, Chas. P. Equitable of N. Y.—Knoxville	Howerton, P. F. Conn. Mutual—Charlotte, N. C.	Schenck, Paul W. Provident Mutual—Greensboro
Blair, E. H. Bankers Life—Nashville	Howland, F. W. Mass. Mutual—Memphis, Tenn.	Slate, T. G. Imperial Life—Fayetteville
Bianton, B. Scott. Phoenix Mutual—Charlotte, N. C.	Hutton, J. L. Jefferson Standard—Nashville	Smith, Bealey. Conn. Mutual—Atlanta, Ga.
Brooke, S. L. Security Life & Trust—Winston-Salem	Jenks, Emory L. Pacific Mutual—Atlanta, Ga.	State Capital Life Raleigh, N. C.
Brooks, M. E. Union Central—Memphis	Jones, Carroll H. Fidelity Mutual—Columbia, S. C.	Stephenson, G. F. Mutual Benefit—Athens, Ga.
Brown, E. E. Penn Mutual—Chattanooga	Jones, L. L. New York Life—Birmingham, Ala.	Stines, E. Z. Jefferson Standard—Asheville
Brown, R. Sclater. Equitable of Iowa—Nashville	Joseph, Stuart & Schadt. N. W. Mut.—Memphis, Tenn.	Stoker, E. J. O. Henry Ins. Agcy.—Greensboro
Buckner, W. T. New York Life—Memphis	Kelley, J. F., Jr. Gulf Life—Atlanta, Ga.	Stover, E. F. Phoenix Mutual—Atlanta
Butterworth, Linwood. New England Mutual—Atlanta	Knight & Earnshaw. New Eng. Mutual—Bradenton	Stuart, A. C. Pilot Life—Winston-Salem
Campbell, R. W. New York Life—Knoxville	Knox, J. Hugh. Mutual Life—Nashville	Sumerel, S. W. Aetna Life—Clinton, S. C.
Carson & Dobbins. Aetna Life—Atlanta, Ga.	Leu, F. R. Life & Casualty—Nashville	Sykes, Chas. L. Mutual Benefit—Miami
Carter, G. W. Prudential—Jacksonville	Liberty Life. Actuarial Dept.—Greenville, S. C.	Talley & Pratt. Penn Mutual—Knoxville
Cherry, L. W. Mutual Benefit—Nashville	Liberty Life. Agency Department—Greenville, S. C.	Taylor, J. R. Mutual Life—New Bern, N. C.
Chisolm, Fred S. New England Mutual—Birmingham	Lipscomb, J. H. N. E. Mutual—Jacksonville	Tenison, Smith, Jr. Prudential—Nashville, Tenn.
Corey, J. N. Sun Life of Canada—Birmingham	Ljung, Karl, Jr. Jefferson Standard—Greensboro	Thompson, Karl. Mutual Benefit—Columbia, S. C.
Cowan, David M. Sun Life of Canada—Greensboro	Lowry Mills Agency. Gulf Life—Miami, Florida	Travelers Ins. Co. Atlanta, Ga.
Crain, Hurd J. Penn Mutual—Atlanta, Ga.	Mann, Chas. I. Aetna Life—Jacksonville	Travelers Ins. Co. Charlotte, N. C.
Currie, Chas. J. Mutual Life—Atlanta, Ga.	Marx & Bendorf. Travelers—Memphis, Tenn.	Travelers Ins. Co. Nashville, Tenn.
Davis, Harry I. New England Mutual—Atlanta	McAfee, S. K. Mutual Life—Charlotte, N. C.	Tupper, Jas. S. Mass. Mutual—Nashville
Dilts, F. B. Home Security—Durham	McCrory, W. W. John Hancock—Jacksonville	Umstead, J. W., Jr. Jefferson Standard—Durham
Donald, Bruce A. Jefferson Standard—Memphis	McGinnis, E. C. New England Mutual—Raleigh	University of Alabama. School of Com. & Bus. Adm.
Doty, A. H. Mutual Benefit—Chattanooga	McMillan, Jos. L. Mutual Life—Memphis	Upshaw, E. N. Prudential—Savannah, Ga.
Drake, Frank W. Mass. Mutual—Birmingham	Minier, Roy S. New York Life—Atlanta, Ga.	Upshaw & Richardson. Aetna Life—Raleigh
Eichhorn, John J. Home Life—Greensboro, N. C.	Montgomery, Joe C. Mass. Mutual—Mobile, Ala.	Waddell, J. M. Pilot Life—Greensboro, N. C.
Fitts, Frank. Pacific Mutual—Tuscaloosa	Morrison & Schippert. Mass. Mutual—St. Petersburg	Waldrop, Hugh D. Pilot Life—Goldsboro, N. C.
Foreman, R. L. Mutual Benefit—Atlanta, Ga.	Mulligan, A. P. Metropolitan—Greensboro	Watson, H. W. P. New York Life—Montgomery
Foust, Henry P. State Mutual—Greensboro, N. C.	Niehaus, M. S. Gulf Life—Jacksonville	Webb, C. R. Pilot Life—Shelby, N. C.
Fowlkes, Walter B. Provident Mutual—Birmingham	O'Callaghan, J. E. Prudential—Memphis	Webster, J. Burton. Penn Mutual—Jacksonville
Fulmer, Olin F. Mutual Life—Savannah, Ga.	Odum, B. H. Phoenix Mutual—Chattanooga	Welman, Clyde R. National of Vermont—Memphis
Gamble, Robt. M. John Hancock—Memphis, Tenn.	Pasco, John. Equitable of N. Y.—Raleigh	White, Henry W., Jr. Mass. Mutual—Knoxville
Garner, Geston. State Mutual—Rome, Georgia	Piper, K. B. Prov. Life & Accident—Chattanooga	Willcox, J. D. Mutual Life of N. Y.—Birmingham
Garner, N. L. Occidental—High Point, N. C.	Pittman, W. I. John Hancock—Birmingham	Willett, Lawrence. N. W. Mutual—Atlanta, Ga.
Grant, Otis P. Life & Casualty—Nashville	Proctor, E. T. Northwestern Mutual—Nashville	Wilson, Harvey H. New England Mutual—Savannah
Green, Holcombe T. Guardian Life—Atlanta	Prov. Life & Acc. Home Office Agency—Chattanooga	Witherspoon, J. A. John Hancock—Nashville

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